

STATE OF MINNESOTA

EIGHTY-SEVENTH SESSION — 2012

SEVENTY-THIRD DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, FEBRUARY 15, 2012

The House of Representatives convened at 4:30 p.m. and was called to order by Kurt Zellers, Speaker of the House.

Prayer was offered by the Reverend Bill Davnie, Minneapolis, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abeler	Davnie	Hansen	Leidiger	Murphy, E.	Simon
Allen	Dean	Hausman	LeMieur	Murphy, M.	Slawik
Anderson, B.	Dettmer	Hilstrom	Lenczewski	Murray	Slocum
Anderson, D.	Dill	Hilty	Lesch	Myhra	Smith
Anderson, P.	Dittrich	Holberg	Liebling	Nelson	Stensrud
Anderson, S.	Doepke	Hoppe	Lillie	Nornes	Swedzinski
Anzelc	Downey	Hornstein	Loeffler	Norton	Thissen
Atkins	Drazkowski	Hortman	Lohmer	O'Driscoll	Tillberry
Banaian	Eken	Hosch	Loon	Paymar	Torkelson
Barrett	Erickson	Howes	Mack	Pelowski	Urdahl
Beard	Fabian	Huntley	Mahoney	Peppin	Vogel
Benson, J.	Falk	Johnson	Mariani	Persell	Wagenius
Benson, M.	Franson	Kahn	Marquart	Petersen, B.	Ward
Bills	Fritz	Kath	Mazorol	Peterson, S.	Wardlow
Brynaert	Gauthier	Kelly	McDonald	Poppe	Westrom
Buesgens	Gottwalt	Kieffer	McElfrick	Quam	Winkler
Carlson	Greene	Kiel	McFarlane	Rukavina	Woodard
Champion	Greiling	Kiffmeyer	McNamara	Runbeck	Spk. Zellers
Clark	Gruenhagen	Knuth	Melin	Sanders	
Cornish	Gunther	Koenen	Moran	Scalze	
Crawford	Hackbarth	Kriesel	Morrow	Schomacker	
Daudt	Hamilton	Laine	Mullery	Scott	
Davids	Hancock	Lanning	Murdock	Shimanski	

A quorum was present.

Garofalo was excused.

The Chief Clerk proceeded to read the Journal of the preceding day. There being no objection, further reading of the Journal was dispensed with and the Journal was approved as corrected by the Chief Clerk.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Anderson, B., from the Veterans Services Division to which was referred:

H. F. No. 1452, A bill for an act relating to veterans; modifying eligibility for a tax credit for past military service; amending Minnesota Statutes 2010, section 290.0677, subdivision 2.

Reported the same back with the following amendments:

Page 2, line 4, delete "2010" and insert "2011"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Erickson from the Committee on Education Reform to which was referred:

H. F. No. 1524, A bill for an act relating to education; clarifying continuing education requirements for substitute principals; amending Minnesota Statutes 2010, section 122A.14, subdivision 3.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Gunther from the Committee on Jobs and Economic Development Finance to which was referred:

H. F. No. 1676, A bill for an act relating to economic development; creating performance rewards on fast investment today program; providing tax benefits; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 469.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[469.352] PERFORMANCE REWARDS ON FAST INVESTMENT TODAY (PROFIT).**

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

(b) "Business" means an individual, corporation, partnership, limited liability company, association, or other entity.

(c) "Commissioner" means the commissioner of employment and economic development unless stated otherwise.

(d) "New full-time equivalent position" means a position that:

(1) is created at a PROFIT business during the taxable year; and

(2) has annualized expected hours of work of at least 1,950 hours.

(e) "Performance rewards on fast investment today (PROFIT) business" means a business that is designated by the commissioner under subdivision 4.

(f) "Taxing authority" means a county, home rule charter or statutory city, town, school district, or joint powers board under section 471.59 acting on behalf of local government units with jurisdiction to tax in the applicable geographic area.

(g) "Wages" has the meaning given in section 290.92, subdivision 1, clause (1).

(h) "Agreement" or "business subsidy agreement" means a business subsidy agreement under section 116J.994 that must include but is not limited to: specification of the duration of the agreement, job goals and a timeline for achieving those goals over the duration of the agreement, and construction and other investment goals and a timeline for achieving those goals over the duration of the agreement. The commissioner shall annually verify whether the terms of the agreement are being met by the participating PROFIT business.

Subd. 2. **PROFIT business designation; eligibility requirements.** (a) To be eligible for designation as a PROFIT business, a business must satisfy all of the following requirements:

(1) the business is engaged in at least one of the following activities as its PROFIT business activity in Minnesota:

(i) manufacturing;

(ii) warehousing;

(iii) distribution;

(iv) information technology;

(v) finance;

(vi) insurance; or

(vii) professional or technical services; and

(2) a business has entered into a business subsidy agreement with the commissioner and the appropriate local taxing authority specifying the length of the subsidy, the job creation goals, wage rates, and investment goals for the duration of the subsidy. An agreement under this subdivision must include the following minimum requirements:

(i) creation of at least ten new full-time equivalent positions within the first two years of designation as a PROFIT business. Positions or employees moved or relocated from another location of the business in Minnesota must not be included in any calculation or determination of job creation or new positions under this section. A business may not terminate, lay off, or reduce the working hours of any employee for the purpose of hiring an individual to satisfy job creation goals under this section. Each new full-time equivalent position must pay:

(A) an hourly wage of at least \$16.80 per hour for businesses located in the seven-county metropolitan area as defined in section 473.121, subdivision 2; or

(B) an hourly wage of at least \$13 per hour for businesses located in all other areas of the state; and

(ii) investment of at least \$500,000 in a construction project in the taxing authority's jurisdiction during the two years immediately following designation as a PROFIT business. For the purposes of this section, "construction project" includes a new, expanded, or remodeled facility and an expenditure of up to \$250,000 for machinery and equipment for use or operation at the location of the PROFIT business.

(b) A business that is primarily engaged in making retail sales to purchasers who are physically present at the business location in Minnesota, lobbying, political consulting, leisure, hospitality, gaming, or professional services provided by attorneys, accountants, business consultants, physicians, or health care consultants, is not eligible for designation as a PROFIT business.

Subd. 3. Local approval. (a) Any business seeking PROFIT designation by the commissioner shall submit an application for approval to each taxing authority affected by the tax refunds provided under this section.

(b) Applications for local approval shall be made on a form and follow procedures and deadlines established by the commissioner.

(c) In considering an application for local approval, each taxing authority shall consider:

(1) the eligibility requirements under subdivision 2;

(2) potential increases in economic activity generated by the applicant in the taxing authority; and

(3) results of a cost-benefit analysis of the potential economic activity generated by the applicant and the revenue implications of potential tax refunds under this section.

(d) Local taxing authorities shall notify the commissioner, on a form established by the commissioner, of applications for which local approval has been granted.

Subd. 4. Designation by the commissioner. (a) Upon receiving notification of local approval under subdivision 3, the commissioner shall review the determination by the local taxing authorities, the subsidy agreement, and eligibility requirements under subdivision 2, to determine whether it is in the best interests of the state and local taxing area to designate a business as a PROFIT business.

(b) Prior to approving the proposed designation of a business under this subdivision, the commissioner shall also consider the following:

(1) the economic outlook of the industry in which the business engages;

(2) the projected sales of the business that will be generated from outside the state of Minnesota;

(3) how the business will build on existing regional, national, and international strengths to diversify the state's economy;

(4) whether the business activity would occur without public financial assistance;

(5) the effect of public financial assistance on industry competitors;

(6) the job creation and investment goals of the proposed subsidy agreement that exceed the minimum requirements under subdivision 2, paragraph (a), clause (2); and

(7) any other criteria the commissioner deems necessary.

Subd. 5. **Certification for tax benefits.** (a) The commissioner must initially certify a PROFIT business as eligible to receive tax refunds under subdivisions 6 to 8, if the business has met the jobs creation and wage goals, and investment requirements of the agreement in the two years immediately following designation as a PROFIT business. The commissioner must notify the commissioner of revenue that the business is eligible for tax refunds under subdivisions 6 to 8. Any PROFIT business that fails to achieve initial certification under this paragraph is deemed ineligible for future certification under this subdivision.

(b) Each year after initial certification under paragraph (a), the commissioner must verify that a business has continued to meet the requirements of the subsidy agreement and certify to the commissioner of revenue that a business is eligible for the tax refunds. For any year after the two-year period immediately following designation, a PROFIT business that fails to maintain the minimum job creation goals under subdivision 2, paragraph (a), clause (2), is ineligible to receive tax refunds.

(c) Tax refunds under this section are available only for real and personal property located at, or goods or services used or consumed at, PROFIT business locations that are covered by the business subsidy agreement under this section and have been approved by the local taxing authorities and the commissioner.

Subd. 6. **Tax refunds; percentage; duration.** (a) A business that is certified under subdivision 5 is eligible for the following tax refunds for up to 12 years from the date of initial certification of eligibility by the commissioner under subdivision 5, paragraph (a):

(1) the property tax refund for certain improvements as provided in subdivision 7; and

(2) a refund for sales and use tax and any local sales and use taxes on qualifying purchases as provided in subdivision 8.

(b) A refund of property, sales, and use taxes paid may be paid upon filing with the commissioner of revenue a claim for refund in the form and manner prescribed by the commissioner of revenue.

(c) The commissioner of employment and economic development shall determine the percentage of tax refunds that a PROFIT business may receive based on the performance of the business in reaching the subsidy agreement goals in the prior 12 months. The commissioner shall certify the percentage of tax refunds to the commissioner of revenue. No tax refund may be paid without certifications of eligibility and percentage of tax refunds from the commissioner of employment and economic development.

Subd. 7. **Property tax refund.** (a) The property tax imposed on the increase in tax capacity resulting from the value of improvements made to real property and personal property, classified under section 273.13, subdivision 24, and owned and operated by a PROFIT business, may be refunded as provided in this subdivision.

(b) For property to qualify for the refund, the occupant must be a PROFIT business.

(c) A PROFIT business is eligible for the refund beginning the first assessment year after the business is certified by the commissioner. To be eligible, the property must be occupied by July 1 of the assessment year by a PROFIT business.

(d) A PROFIT business must notify the commissioner of revenue in writing of eligibility under this subdivision by July 1 in order to begin receiving the refund under this subdivision in the following year.

(e) The refund is distributed and continues annually as long as the qualified PROFIT business continues to be certified as eligible under subdivision 5.

Subd. 8. **Sales and use tax refund.** (a) A PROFIT business is eligible for a refund of taxes paid under chapter 297A on the purchase and use of construction materials, services, and supplies used or consumed in, including equipment incorporated into, real property owned by a PROFIT business if used in the conduct of a PROFIT business and the purchase was made and delivery received during the duration of the PROFIT business designation.

(b) The refund under this subdivision applies regardless of whether the purchases are made by the PROFIT business or a contractor hired to perform work or provide services at the PROFIT business location.

(c) The tax must be refunded in the manner provided under section 297A.75.

Subd. 9. **Appropriation.** An amount sufficient to pay the refunds under subdivisions 7 and 8 is appropriated to the commissioner of revenue from the general fund."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Peppin from the Committee on Government Operations and Elections to which was referred:

H. F. No. 1812, A bill for an act relating to state government; permitting the Department of Administration to contract for waste-hauling without determining whether state employees are able to do the work; prohibiting the state from purchasing waste-hauling vehicles for use in the Capitol complex; proposing coding for new law in Minnesota Statutes, chapter 16C.

Reported the same back with the following amendments:

Page 1, lines 8 to 9, delete "; VEHICLE ACQUISITION PROHIBITED"

Page 1, line 10, delete "Subdivision 1. Waiver."

Page 1, delete subdivision 2

Amend the title as follows:

Page 1, line 3, delete "waste-hauling" and insert "waste hauling"

Page 1, line 4, delete everything after the semicolon

Page 1, line 5, delete "for use in the Capitol complex;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, B., from the Veterans Services Division to which was referred:

H. F. No. 1820, A bill for an act relating to taxation; income; military service credit; eliminating income-based reduction; amending Minnesota Statutes 2010, section 290.0677, subdivision 1a.

Reported the same back with the following amendments:

Page 1, line 9, reinstate the stricken language

Page 1, line 9, strike "ten" and insert "five"

Page 1, line 10, reinstate the stricken language

Amend the title as follows:

Page 1, line 2, delete "eliminating" and insert "modifying"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Anderson, B., from the Veterans Services Division to which was referred:

H. F. No. 1948, A bill for an act relating to the military; providing an exemption of the motor vehicle sales tax on a portion of the value of a motor vehicle purchased abroad during military service outside the United States; amending Minnesota Statutes 2011 Supplement, section 297B.03.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Transportation Policy and Finance.

The report was adopted.

Peppin from the Committee on Government Operations and Elections to which was referred:

H. F. No. 1954, A bill for an act relating to local governments; requiring counties and certain cities to report additional budgetary information; amending Minnesota Statutes 2010, section 275.065, subdivisions 1, 3; proposing coding for new law in Minnesota Statutes, chapter 471.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on State Government Finance.

The report was adopted.

Cornish from the Committee on Public Safety and Crime Prevention Policy and Finance to which was referred:

H. F. No. 1956, A bill for an act relating to public safety; requiring law enforcement departments to report offenders who possess multiple welfare electronic benefit transfer cards to the commissioner of human services; proposing coding for new law in Minnesota Statutes, chapter 626.

Reported the same back with the following amendments:

Page 1, after line 13, insert:

"(4) the number on each card;"

Renumber the clauses in sequence

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services Reform.

The report was adopted.

Peppin from the Committee on Government Operations and Elections to which was referred:

H. F. No. 2003, A bill for an act relating to state government; allowing operations on an ongoing basis for the Racing Commission and State Lottery; amending Minnesota Statutes 2010, sections 240.155, subdivision 1; 240.30, subdivision 9; 349A.10, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on State Government Finance.

The report was adopted.

McNamara from the Committee on Environment, Energy and Natural Resources Policy and Finance to which was referred:

H. F. No. 2095, A bill for an act relating to environment; providing for permitting efficiency; modifying environmental review requirements; amending Minnesota Statutes 2010, sections 14.05, by adding a subdivision; 84.027, by adding a subdivision; 116.07, subdivision 4a; 116J.03, by adding subdivisions; 116J.035, by adding a subdivision; Minnesota Statutes 2011 Supplement, sections 84.027, subdivision 14a; 116.03, subdivision 2b.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
PERMITTING

Section 1. Minnesota Statutes 2011 Supplement, section 84.027, subdivision 14a, is amended to read:

Subd. 14a. **Permitting efficiency.** (a) It is the goal of the state that environmental and resource management permits be issued or denied within 150 days of the submission of a ~~substantially completed~~ permit application. The commissioner of natural resources shall establish management systems designed to achieve the goal.

(b) The commissioner shall prepare semiannual permitting efficiency reports that include statistics on meeting the goal in paragraph (a). The reports are due February 1 and August 1 each year. For permit applications that have not met the goal, the report must state the reasons for not meeting the goal, ~~steps that will be taken to complete action on the application, and the expected timeline.~~ In stating the reasons for not meeting the goal, the commissioner shall separately identify delays caused by the responsiveness of the proposer, lack of staff, scientific or technical disagreements, or the level of public engagement. The report must specify the number of days from initial submission of the application to the day of determination that the application is complete. The report for August 1 each year must aggregate the data for the year and assess whether program or system changes are necessary to achieve the goal. The report must be posted on the department's Web site and submitted to the governor and the chairs and ranking minority members of the house of representatives and senate committees having jurisdiction over natural resources policy and finance.

(c) The commissioner shall allow electronic submission of environmental review and permit documents to the department.

(d) Beginning July 1, 2011, within 30 business days of application for a permit subject to paragraph (a), the commissioner of natural resources shall notify the project proposer, in writing, ~~of whether or not the permit application is complete enough for processing. If the permit is incomplete, the commissioner must identify where whether the application is complete or incomplete. If the commissioner determines that an application is incomplete, the notice to the applicant must enumerate all deficiencies exist, citing specific provisions of the applicable rules and statutes, and advise the applicant on how they the deficiencies can be remedied. A resubmittal of the application begins a new 30-day review period. If the commissioner fails to notify the project proposer of completeness within 30 business days, the application is deemed to be substantially complete and subject to the 150-day permitting review period in paragraph (a) from the date it was submitted.~~ This paragraph does not apply to an application for a permit that is subject to a grant or loan agreement under chapter 446A.

Sec. 2. Minnesota Statutes 2010, section 84.027, is amended by adding a subdivision to read:

Subd. 14b. **Irrevocability or suspensions of permits.** If, by July 1 of an odd-numbered year, a biennial appropriation law has not been enacted to fund air, water, and land programs at the department, existing permits shall not be terminated or suspended, provided the terms and conditions of the permit and local, state, and federal laws and rules are met, regardless of the state's capability to receive, review, or process fees, reports, or other filings.

Sec. 3. Minnesota Statutes 2010, section 115.03, is amended by adding a subdivision to read:

Subd. 8b. **Permit duration; state disposal system permits; animal feedlots.** State disposal system permits that are issued without a national pollutant discharge elimination system permit to animal feedlots shall be issued for a term of ten years.

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

Sec. 4. Minnesota Statutes 2011 Supplement, section 116.03, subdivision 2b, is amended to read:

Subd. 2b. **Permitting efficiency.** (a) It is the goal of the state that environmental and resource management permits be issued or denied within 150 days of the submission of a ~~substantially completed~~ permit application. The commissioner of the Pollution Control Agency shall establish management systems designed to achieve the goal.

(b) The commissioner shall prepare semiannual permitting efficiency reports that include statistics on meeting the goal in paragraph (a). The reports are due February 1 and August 1 each year. For permit applications that have not met the goal, the report must state the reasons for not meeting the goal, ~~steps that will be taken to complete action on the application, and the expected timeline.~~ In stating the reasons for not meeting the goal, the commissioner shall separately identify delays caused by the responsiveness of the proposer, lack of staff, scientific or technical disagreements, or the level of public engagement. The report must specify the number of days from initial submission of the application to the day of determination that the application is complete. The report for August 1 each year must aggregate the data for the year and assess whether program or system changes are necessary to achieve the goal. The report must be posted on the agency's Web site and submitted to the governor and the chairs and ranking minority members of the house of representatives and senate committees having jurisdiction over environment policy and finance.

(c) The commissioner shall allow electronic submission of environmental review and permit documents to the agency.

(d) Beginning July 1, 2011, within 30 business days of application for a permit subject to paragraph (a), the commissioner of the Pollution Control Agency shall notify the project proposer, in writing, ~~of whether or not the permit application is complete enough for processing. If the permit is incomplete, the commissioner must identify where~~ whether the application is complete or incomplete. If the commissioner determines that an application is incomplete, the notice to the applicant must enumerate all deficiencies exist, citing specific provisions of the applicable rules and statutes, and advise the applicant on how they the deficiencies can be remedied. A resubmittal of the application begins a new 30-day review period. If the commissioner fails to notify the project proposer of completeness within 30 business days, the application is deemed to be substantially complete and subject to the 150-day permitting review period in paragraph (a) from the date it was submitted. This paragraph does not apply to an application for a permit that is subject to a grant or loan agreement under chapter 446A.

(e) For purposes of this subdivision, "permit applicant professional" means an individual not employed by the Pollution Control Agency who:

(1) has a professional engineer license issued by the state of Minnesota; and

(2) has at least ten years of experience in the subject area of the permit.

(f) An applicant utilizing a permit applicant professional must notify the commissioner of this use at least 60 days prior to submitting an application and submit at least a project description, including but not limited to scope of work, primary emissions points, discharge outfalls, and water intake points. The commissioner shall provide the applicant, within 30 days of the notice, the following:

(1) an overview of the permit review program;

(2) a determination of which specific application or applications will be required by the agency to complete the project;

(3) a statement notifying the applicant if the specific permit being sought requires a mandatory public hearing or comment period;

(4) a review of the timetable established in the permit review program for the specific permit being sought; and

(5) a determination of what information must be included in the application, including a description of any required modeling or testing.

(g) The applicant may select a permit applicant professional to undertake the preparation and review of the permit application and draft permit.

(h) A permit application and draft permit submitted by a permit applicant professional shall be deemed complete and approved unless the terms and conditions in the permit application and draft permit submitted by the permit applicant professional fail to comply with applicable statutes and rules. The commissioner shall, within 30 days of receipt of an application and draft permit:

(1) notify the applicant and submitting permit applicant professional that the application is complete and the draft permit is approved subject to all public comment periods and public hearings; or

(2) deny the application, specifying the deficiencies of the application.

(i) A person aggrieved by a final decision of the commissioner under this section may obtain judicial review thereof according to sections 14.63 to 14.69.

(j) Nothing in this section shall be construed to modify:

(1) any requirement of law that is necessary to retain federal delegation to or assumption by the state; or

(2) the authority to implement a federal law or program.

(k) The permit application and draft permit shall identify or include as an appendix all studies and other sources of information used to substantiate the analysis contained in the permit application and draft period. The commissioner shall request additional studies, if needed, and the project proposer shall submit all additional studies and information necessary for the commissioner to perform the commissioner's responsibility to review, modify, and determine the completeness of the application and approve the draft permit.

(l) If, by July 1 of an odd-numbered year, a biennial appropriation law has not been enacted to fund air, water, and land programs at the agency, existing permits shall not be terminated or suspended, provided the terms and conditions of the permit and local, state, and federal laws and rules are met, regardless of the state's capability to receive, review, or process fees, reports, or other filings.

Sec. 5. Minnesota Statutes 2010, section 116.07, subdivision 4a, is amended to read:

Subd. 4a. **Permits.** (a) The Pollution Control Agency may issue, continue in effect or deny permits, under such conditions as it may prescribe for the prevention of pollution, for the emission of air contaminants, or for the installation or operation of any emission facility, air contaminant treatment facility, treatment facility, potential air contaminant storage facility, or storage facility, or any part thereof, or for the sources or emissions of noise pollution.

The Pollution Control Agency may also issue, continue in effect or deny permits, under such conditions as it may prescribe for the prevention of pollution, for the storage, collection, transportation, processing, or disposal of waste, or for the installation or operation of any system or facility, or any part thereof, related to the storage, collection, transportation, processing, or disposal of waste.

The agency may not issue a permit to a facility without analyzing and considering the cumulative levels and effects of past and current environmental pollution from all sources on the environment and residents of the geographic area within which the facility's emissions are likely to be deposited, provided that the facility is located in a community in a city of the first class in Hennepin County that meets all of the following conditions:

(1) is within a half mile of a site designated by the federal government as an EPA superfund site due to residential arsenic contamination;

(2) a majority of the population are low-income persons of color and American Indians;

(3) a disproportionate percent of the children have childhood lead poisoning, asthma, or other environmentally related health problems;

(4) is located in a city that has experienced numerous air quality alert days of dangerous air quality for sensitive populations between February 2007 and February 2008; and

(5) is located near the junctions of several heavily trafficked state and county highways and two one-way streets which carry both truck and auto traffic.

The Pollution Control Agency may revoke or modify any permit issued under this subdivision and section 116.081 whenever it is necessary, in the opinion of the agency, to prevent or abate pollution.

(b) The Pollution Control Agency has the authority for approval over the siting, expansion, or operation of a solid waste facility with regard to environmental issues. However, the agency's issuance of a permit does not release the permittee from any liability, penalty, or duty imposed by any applicable county ordinances. Nothing in this chapter precludes, or shall be construed to preclude, a county from enforcing land use controls, regulations, and ordinances existing at the time of the permit application and adopted pursuant to sections 366.10 to 366.181, 394.21 to 394.37, or 462.351 to 462.365, with regard to the siting, expansion, or operation of a solid waste facility.

(c) Except as prohibited by federal law, a person may commence construction, reconstruction, replacement, or modification of any facility prior to the issuance of a construction permit by the agency.

Sec. 6. Minnesota Statutes 2010, section 116J.035, is amended by adding a subdivision to read:

Subd. 8. Environmental permits coordinator. (a) The commissioner is designated the environmental permits coordinator and shall coordinate the implementation and administration of state permits, including:

(1) establishing a mechanism in state government that will coordinate administrative decision-making procedures and related quasi-judicial and judicial review pertaining to permits related to the state's air, land, and water resources;

(2) providing coordination and understanding between federal, state, and local governmental units in the administration of the various programs relating to air, water, and land resources;

(3) identifying all existing federal, state, and local permits and other approvals; compliance schedules; or other programs that pertain to the use of natural resources and protection of the environment; and

(4) recommending legislative or administrative modifications to existing permit programs to increase their efficiency and utility.

(b) A person proposing a project may apply to the environmental permits coordinator for assistance in obtaining necessary state permits and other approvals. Upon request, the environmental permits coordinator shall:

(1) provide a list of all federal, state, and local permits and other required approvals for the project;

(2) provide a plan that will coordinate federal, state, and local administrative decision-making practices, including monitoring, analysis and reporting, public comments and hearings, and issuances of permits and approvals;

(3) provide a timeline for the issuance of all federal, state, and local permits and other approvals required for the project;

(4) coordinate the execution of any memorandum of understanding between the person proposing a project and any federal, state, or local agency;

(5) coordinate all federal, state, or local public comment periods and hearings; and

(6) provide other assistance requested to facilitate final approval and issuance of all federal, state, and local permits and other approvals required for the project.

(c) As necessary, the environmental permits coordinator shall negotiate a schedule to assess the project proposer for reasonable costs that any state agency incurs in coordinating the implementation and administration of state permits, and the proposer shall pay the assessed costs to the environmental permits coordinator. Money received by the environmental permits coordinator must be credited to a special account and is appropriated to any state agency to cover the assessed costs incurred.

(d) The coordination of implementation and administration of state permits is not governmental action under section 116D.04.

(e) For the purposes of this subdivision:

(1) "agency" means:

(i) a state department, commission, board, or other agency of the state, however titled; or

(ii) a local governmental unit or instrumentality, only when that unit or instrumentality is acting within existing legal authority to grant or deny a permit that otherwise would be granted or denied by a state agency;

(2) "local governmental unit" means a county, city, town, or special district with legal authority to issue a permit;

(3) "permit" means a permit, certificate, certification, approval, compliance schedule, or other similar document pertaining to a regulatory or management program related to the protection, conservation, or use of or interference with the natural resources of land, air, or water that must be obtained from a state agency before constructing or operating a project in the state;

(4) "person" means an individual, an association or partnership, or a cooperative, municipal, public, or private corporation, including but not limited to a state agency and a county; and

(5) "project" means a new activity or an expansion of or addition to an existing activity, which is fixed in location and for which permits are required from an agency prior to construction or operation, including but not limited to industrial and commercial operations and developments.

ARTICLE 2 ENVIRONMENTAL REVIEW

Section 1. Minnesota Statutes 2010, section 14.05, is amended by adding a subdivision to read:

Subd. 5a. **Review of environmental assessment worksheets and environmental impact statements.** By December 1, 2012, and every five years thereafter, the Environmental Quality Board, Pollution Control Agency, Department of Natural Resources, and Department of Transportation, after consultation with political subdivisions, shall submit to the governor and the chairs of the house of representatives and senate committees having jurisdiction over environment and natural resources a list of mandatory environmental assessment worksheet or mandatory environmental impact statement categories for which the agency or a political subdivision is designated as the responsible government unit, and for each worksheet or statement category, a document including:

- (1) intended outcomes of each worksheet or statement within each category;
- (2) the cost to state and local government and the private sector; and
- (3) an explanation of what information provided on the mandatory worksheet or statement within each category is not included in or provided for in an existing permit or other federal, state, or local law.

Sec. 2. Minnesota Statutes 2010, section 41A.10, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For the purposes of this section and section 103F.518, the terms defined in this subdivision have the meanings given them.

- (a) "Cellulosic biofuel" means transportation fuel derived from cellulosic materials.
- (b) "Cellulosic material" means an agricultural or wood feedstock primarily comprised of cellulose, hemicellulose, or lignin or a combination of those ingredients grown on agricultural lands or harvested timber lands.
- (c) "Agricultural land" means land used for horticultural, row, close grown, pasture, and hayland crops; growing nursery stocks; animal feedlots; farm yards; associated building sites; and public and private drainage systems and field roads located on any of that land.
- (d) "Cellulosic biofuel facility" means a facility at which cellulosic biofuel is produced.
- (e) "Perennial crops" means agriculturally produced plants that have a life cycle of at least three years at the location where the plants are being cultivated.
- (f) "Perennial cropping system" means an agricultural production system that utilizes a perennial crop.
- (g) "Native species" means a plant species which was present in a defined area of Minnesota prior to European settlement (circa 1850). A defined area may be an ecological classification province. Wild-type varieties therefore are regional or local ecotypes that have not undergone a selection process.
- (h) "Diverse native prairie" means a prairie planted from a mix of local Minnesota native prairie species. A selection from all available native prairie species may be made so as to match species appropriate to local site conditions.
- (i) "Commissioner" means the commissioner of agriculture.

Sec. 3. Minnesota Statutes 2011 Supplement, section 116D.04, subdivision 2a, is amended to read:

Subd. 2a. **When prepared.** Where there is potential for significant environmental effects resulting from any major governmental action, the action shall be preceded by a detailed environmental impact statement prepared by the responsible governmental unit. The environmental impact statement shall be an analytical rather than an

encyclopedic document which describes the proposed action in detail, analyzes its significant environmental impacts, discusses appropriate alternatives to the proposed action and their impacts, and explores methods by which adverse environmental impacts of an action could be mitigated. The environmental impact statement shall also analyze those economic, employment and sociological effects that cannot be avoided should the action be implemented. To ensure its use in the decision-making process, the environmental impact statement shall be prepared as early as practical in the formulation of an action. ~~No mandatory environmental impact statement may be required for an ethanol plant, as defined in section 41A.09, subdivision 2a, paragraph (b), that produces less than 125,000,000 gallons of ethanol annually and is located outside of the seven county metropolitan area.~~

(a) The board shall by rule establish categories of actions for which environmental impact statements and for which environmental assessment worksheets shall be prepared as well as categories of actions for which no environmental review is required under this section. A mandatory environmental assessment worksheet shall not be required for the expansion of an ethanol plant, as defined in section 41A.09, subdivision 2a, paragraph (b), or the conversion of an ethanol plant to a biobutanol facility or the expansion of a biobutanol facility as defined in section 41A.105, subdivision 1a, based on the capacity of the expanded or converted facility to produce alcohol fuel, but must be required if the ethanol plant meets or exceeds thresholds of other categories of actions for which environmental assessment worksheets must be prepared. The responsible governmental unit for an ethanol plant project for which an environmental assessment worksheet is prepared shall be the state agency with the greatest responsibility for supervising or approving the project as a whole. A mandatory environmental impact statement shall not be required for a facility or plant located outside the seven-county metropolitan area that produces less than 125,000,000 gallons of ethanol, biobutanol, or cellulosic biofuel annually, if the facility or plant is: an ethanol plant, as defined in section 41A.09, subdivision 2a, paragraph (b); a biobutanol facility, as defined in section 41A.105, subdivision 1a, clause (1); or a cellulosic biofuel facility as defined in section 41A.10, subdivision 1, paragraph (d).

(b) The responsible governmental unit shall promptly publish notice of the completion of an environmental assessment worksheet in a manner to be determined by the board and shall provide copies of the environmental assessment worksheet to the board and its member agencies. Comments on the need for an environmental impact statement may be submitted to the responsible governmental unit during a 30-day period following publication of the notice that an environmental assessment worksheet has been completed. The responsible governmental unit's decision on the need for an environmental impact statement shall be based on the environmental assessment worksheet and the comments received during the comment period, and shall be made within 15 days after the close of the comment period. The board's chair may extend the 15-day period by not more than 15 additional days upon the request of the responsible governmental unit.

(c) An environmental assessment worksheet shall also be prepared for a proposed action whenever material evidence accompanying a petition by not less than 100 individuals who reside or own property in the state, submitted before the proposed project has received final approval by the appropriate governmental units, demonstrates that, because of the nature or location of a proposed action, there may be potential for significant environmental effects. Petitions requesting the preparation of an environmental assessment worksheet shall be submitted to the board. The chair of the board shall determine the appropriate responsible governmental unit and forward the petition to it. A decision on the need for an environmental assessment worksheet shall be made by the responsible governmental unit within 15 days after the petition is received by the responsible governmental unit. The board's chair may extend the 15-day period by not more than 15 additional days upon request of the responsible governmental unit.

(d) Except in an environmentally sensitive location where Minnesota Rules, part 4410.4300, subpart 29, item B, applies, the proposed action is exempt from environmental review under this chapter and rules of the board, if:

(1) the proposed action is:

(i) an animal feedlot facility with a capacity of less than 1,000 animal units; or

(ii) an expansion of an existing animal feedlot facility with a total cumulative capacity of less than 1,000 animal units;

(2) the application for the animal feedlot facility includes a written commitment by the proposer to design, construct, and operate the facility in full compliance with Pollution Control Agency feedlot rules; and

(3) the county board holds a public meeting for citizen input at least ten business days prior to the Pollution Control Agency or county issuing a feedlot permit for the animal feedlot facility unless another public meeting for citizen input has been held with regard to the feedlot facility to be permitted. The exemption in this paragraph is in addition to other exemptions provided under other law and rules of the board.

(e) The board may, prior to final approval of a proposed project, require preparation of an environmental assessment worksheet by a responsible governmental unit selected by the board for any action where environmental review under this section has not been specifically provided for by rule or otherwise initiated.

(f) An early and open process shall be utilized to limit the scope of the environmental impact statement to a discussion of those impacts, which, because of the nature or location of the project, have the potential for significant environmental effects. The same process shall be utilized to determine the form, content and level of detail of the statement as well as the alternatives which are appropriate for consideration in the statement. In addition, the permits which will be required for the proposed action shall be identified during the scoping process. Further, the process shall identify those permits for which information will be developed concurrently with the environmental impact statement. The board shall provide in its rules for the expeditious completion of the scoping process. The determinations reached in the process shall be incorporated into the order requiring the preparation of an environmental impact statement.

(g) The responsible governmental unit shall, to the extent practicable, avoid duplication and ensure coordination between state and federal environmental review and between environmental review and environmental permitting. Whenever practical, information needed by a governmental unit for making final decisions on permits or other actions required for a proposed project shall be developed in conjunction with the preparation of an environmental impact statement.

(h) An environmental impact statement shall be prepared and its adequacy determined within 280 days after notice of its preparation unless the time is extended by consent of the parties or by the governor for good cause. The responsible governmental unit shall determine the adequacy of an environmental impact statement, unless within 60 days after notice is published that an environmental impact statement will be prepared, the board chooses to determine the adequacy of an environmental impact statement. If an environmental impact statement is found to be inadequate, the responsible governmental unit shall have 60 days to prepare an adequate environmental impact statement.

(i) The proposer of a specific action may include in the information submitted to the responsible governmental unit a preliminary draft environmental impact statement under this section on that action for review, modification, and determination of completeness and adequacy by the responsible governmental unit. A preliminary draft environmental impact statement prepared by the project proposer and submitted to the responsible governmental unit shall identify or include as an appendix all studies and other sources of information used to substantiate the analysis contained in the preliminary draft environmental impact statement. The responsible governmental unit shall require additional studies, if needed, and obtain from the project proposer all additional studies and information necessary for the responsible governmental unit to perform its responsibility to review, modify, and determine the completeness and adequacy of the environmental impact statement."

Delete the title and insert:

"A bill for an act relating to environment; providing for permitting efficiency; modifying environmental review requirements; appropriating money; amending Minnesota Statutes 2010, sections 14.05, by adding a subdivision; 41A.10, subdivision 1; 84.027, by adding a subdivision; 115.03, by adding a subdivision; 116.07, subdivision 4a; 116J.035, by adding a subdivision; Minnesota Statutes 2011 Supplement, sections 84.027, subdivision 14a; 116.03, subdivision 2b; 116D.04, subdivision 2a."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Jobs and Economic Development Finance.

The report was adopted.

Erickson from the Committee on Education Reform to which was referred:

H. F. No. 2127, A bill for an act relating to education; modifying online learning parameters; providing for digital learning; amending Minnesota Statutes 2010, sections 124D.095, subdivision 4; 126C.15, subdivision 1; 179A.07, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 120B.024, is amended to read:

120B.024 GRADUATION REQUIREMENTS; COURSE CREDITS.

(a) Students beginning 9th grade in the 2004-2005 school year and later must successfully complete the following high school level course credits for graduation:

- (1) four credits of language arts;
- (2) three credits of mathematics, encompassing at least algebra, geometry, statistics, and probability sufficient to satisfy the academic standard;
- (3) three credits of science, including at least one credit in biology;
- (4) three and one-half credits of social studies, encompassing at least United States history, geography, government and citizenship, world history, and economics or three credits of social studies encompassing at least United States history, geography, government and citizenship, and world history, and one-half credit of economics taught in a school's social studies, agriculture education, or business department;
- (5) one credit in the arts; and
- (6) a minimum of seven elective course credits.

A course credit is equivalent to a student successfully completing an academic year of study or a student mastering the applicable subject matter, as determined by the local school district.

(b) High school students must receive at least one digital course credit under section 124D.095 to graduate. Where appropriate, a school district may comply with this requirement by adopting a comparable, locally established alternate plan to accommodate an eligible student with disabilities or an English-language learner enrolled in school for three school years or less.

(c) An agriculture science course may fulfill a science credit requirement in addition to the specified science credits in biology and chemistry or physics under paragraph (a), clause (3).

(e) (d) A career and technical education course may fulfill a science, mathematics, or arts credit requirement in addition to the specified science, mathematics, or arts credits under paragraph (a), clause (2), (3), or (5).

EFFECTIVE DATE. This section is effective for all students entering grade 9 in the 2012-2013 school year and later.

Sec. 2. Minnesota Statutes 2010, section 122A.18, is amended by adding a subdivision to read:

Subd. 3a. Technology strategies. All colleges and universities approved by the Board of Teaching to prepare persons for classroom teacher licensure must include in their teacher preparation programs the knowledge and skills teacher candidates need to deliver digital and blended learning and curriculum and engage students with technology.

EFFECTIVE DATE. This section is effective for candidates entering a teacher preparation program after June 30, 2014.

Sec. 3. Minnesota Statutes 2010, section 122A.60, subdivision 1a, is amended to read:

Subd. 1a. Effective staff development activities. (a) Staff development activities must:

- (1) focus on the school classroom and research-based strategies that improve student learning;
- (2) provide opportunities for teachers to practice and improve their instructional skills over time;
- (3) provide opportunities for teachers to use student data as part of their daily work to increase student achievement;
- (4) enhance teacher content knowledge and instructional skills to accommodate the delivery of digital and blended learning and curriculum and engage students with technology;
- (5) align with state and local academic standards;
- (6) provide opportunities to build professional relationships, foster collaboration among principals and staff who provide instruction, and provide opportunities for teacher-to-teacher mentoring; and
- (7) align with the plan of the district or site for an alternative teacher professional pay system.

Staff development activities may include curriculum development and curriculum training programs, and activities that provide teachers and other members of site-based teams training to enhance team performance. The school district also may implement other staff development activities required by law and activities associated with professional teacher compensation models.

(b) Release time provided for teachers to supervise students on field trips and school activities, or independent tasks not associated with enhancing the teacher's knowledge and instructional skills, such as preparing report cards, calculating grades, or organizing classroom materials, may not be counted as staff development time that is financed with staff development reserved revenue under section 122A.61.

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

Sec. 4. Minnesota Statutes 2010, section 122A.60, subdivision 3, is amended to read:

Subd. 3. **Staff development outcomes.** The advisory staff development committee must adopt a staff development plan for improving student achievement. The plan must be consistent with education outcomes that the school board determines. The plan must include ongoing staff development activities that contribute toward continuous improvement in achievement of the following goals:

(1) improve student achievement of state and local education standards in all areas of the curriculum by using best practices methods;

(2) effectively meet the needs of a diverse student population, including at-risk children, children with disabilities, and gifted children, within the regular classroom and other settings;

(3) provide an inclusive curriculum for a racially, ethnically, and culturally diverse student population that is consistent with the state education diversity rule and the district's education diversity plan;

(4) improve staff collaboration and develop mentoring and peer coaching programs for teachers new to the school or district;

(5) effectively teach and model violence prevention policy and curriculum that address early intervention alternatives, issues of harassment, and teach nonviolent alternatives for conflict resolution; ~~and~~

(6) effectively deliver digital and blended learning and curriculum and engage students with technology; and

(7) provide teachers and other members of site-based management teams with appropriate management and financial management skills.

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

Sec. 5. Minnesota Statutes 2010, section 124D.095, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings given them.

(a) "~~Online~~ Digital learning" is an interactive course or program that delivers instruction from a teacher to a student by computer; is combined with other traditional delivery methods that include frequent student assessment and may include actual teacher contact time; and meets or exceeds state academic standards. "Blended learning" is a form of digital learning that occurs when: a student learns part time in a supervised physical setting and part time through digital delivery of instruction; or a student learns in a supervised physical setting where digital curriculum is used as a primary method to deliver instruction.

(b) "~~Online~~ Digital learning provider" is a school district, an intermediate school district, an organization of two or more school districts operating under a joint powers agreement, or a charter school located in Minnesota that provides ~~online~~ digital learning to students.

(c) "Student" is a Minnesota resident enrolled in a school under section 120A.22, subdivision 4, in kindergarten through grade 12.

(d) "~~Online Digital~~ learning student" is a student enrolled in ~~an online a digital~~ learning course or program delivered by ~~an online a digital~~ provider under paragraph (b).

(e) "Enrolling district" means the school district or charter school in which a student is enrolled under section 120A.22, subdivision 4, for purposes of compulsory attendance.

(f) "Supplemental ~~online digital~~ learning" means ~~an online a digital~~ course taken in place of a course period during the regular school day at a local district school.

(g) "Full-time ~~online digital~~ provider" means an enrolling school authorized by the department to deliver comprehensive public education at any or all of the elementary, middle, or high school levels.

(h) "~~Online Digital~~ course syllabus" is a written document that ~~an online a digital~~ learning provider transmits to the enrolling district using a format prescribed by the commissioner to identify the state academic standards embedded in ~~an online a digital~~ course, the course content outline, required course assessments, expectations for actual teacher contact time and other student-to-teacher communications, and the academic support available to the ~~online digital~~ learning student.

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

Sec. 6. Minnesota Statutes 2010, section 124D.095, subdivision 4, is amended to read:

Subd. 4. **Online Digital learning parameters.** (a) ~~An online A digital~~ learning student must receive academic credit for completing the requirements of ~~an online a digital~~ learning course or program. Secondary credits granted to ~~an online a digital~~ learning student count toward the graduation and credit requirements of the enrolling district. The enrolling district must apply the same graduation requirements to all students, including ~~online digital~~ learning students, and must continue to provide nonacademic services to ~~online digital~~ learning students. If a student completes ~~an online a digital~~ learning course or program that meets or exceeds a graduation standard or the grade progression requirement at the enrolling district, that standard or requirement is met. The enrolling district must use the same criteria for accepting ~~online digital~~ learning credits or courses as it does for accepting credits or courses for transfer students under section 124D.03, subdivision 9. The enrolling district may reduce the course schedule of ~~an online a digital~~ learning student in proportion to the number of ~~online digital~~ learning courses the student takes from ~~an online a digital~~ learning provider that is not the enrolling district.

(b) ~~An online A digital~~ learning student may:

(1) enroll in supplemental ~~online digital~~ learning courses equal to a maximum of 50 percent of the student's full schedule of courses per term during a single school year and the student may exceed the supplemental ~~online digital~~ learning registration limit if the enrolling district permits supplemental ~~online digital~~ learning enrollment above the limit, or if the enrolling district and the ~~online digital~~ learning provider agree to the instructional services;

(2) complete course work at a grade level that is different from the student's current grade level; and

(3) enroll in additional courses with the ~~online digital~~ learning provider under a separate agreement that includes terms for paying any tuition or course fees.

(c) ~~An online A digital~~ learning student has the same access to the computer hardware and education software available in a school as all other students in the enrolling district. ~~An online A digital~~ learning provider must assist ~~an online a digital~~ learning student whose family qualifies for the education tax credit under section 290.0674 to acquire computer hardware and educational software for ~~online digital~~ learning purposes.

(d) An enrolling district may offer online digital learning to its enrolled students. Such online digital learning does not generate online digital learning funds under this section. An enrolling district that offers online digital learning only to its enrolled students is not subject to the reporting requirements or review criteria under subdivision 7, unless the enrolling district is a full-time online digital provider. A teacher with a Minnesota license must assemble and deliver instruction to enrolled students receiving online digital learning from an enrolling district. The delivery of instruction occurs when the student interacts with the computer or the teacher and receives ongoing assistance and assessment of learning. The instruction may include curriculum developed by persons other than a teacher holding a Minnesota license.

(e) Both full-time and supplemental online digital learning providers are subject to the reporting requirements and review criteria under subdivision 7. A teacher holding a Minnesota license must assemble and deliver instruction to online digital learning students. The delivery of instruction occurs when the student interacts with the computer or the teacher and receives ongoing assistance and assessment of learning. The instruction may include curriculum developed by persons other than a teacher holding a Minnesota license. Unless the commissioner grants a waiver, a teacher providing online digital learning instruction must not instruct more than 40 students in any one online digital learning course or program.

(f) To enroll in more than 50 percent of the student's full schedule of courses per term in online digital learning, the student must qualify to exceed the supplemental online digital learning registration limit under paragraph (b) or apply to enroll in an approved full-time online digital learning program, consistent with subdivision 3, paragraph (a). Full-time online digital learning students may enroll in classes at a local school under a contract for instructional services between the online digital learning provider and the school district.

Sec. 7. Minnesota Statutes 2010, section 124D.095, subdivision 7, is amended to read:

Subd. 7. **Department of Education.** (a) The department must review and approve ~~online~~ or disapprove digital learning providers within 60 business days of receiving the digital provider's completed application. If the commissioner disapproves the application, the commissioner must notify the digital provider of the deficiencies in the application and the digital provider then has 20 business days to address the deficiencies. If the digital provider does not address the deficiencies to the commissioner's satisfaction, the commissioner's disapproval is final.

(b) The online digital learning courses and programs must be rigorous, aligned with state academic standards, and contribute to grade progression in a single subject. The online digital provider, other than a digital provider offering digital learning to its enrolled students only under subdivision 4, paragraph (d), must give the commissioner written assurance that: (1) all courses meet state academic standards; and (2) the online digital learning curriculum, instruction, and assessment, expectations for actual teacher-contact time or other student-to-teacher communication, and academic support meet nationally recognized professional standards and are described as such in ~~an online a~~ digital course syllabus that meets the commissioner's requirements. Once ~~an online a~~ digital learning provider is approved under ~~this~~ paragraph (a), all of its online digital learning course offerings are eligible for payment under this section unless a course is successfully challenged by an enrolling district or the department under paragraph ~~(b)~~ (d).

~~(b)~~ (c) The commissioner may approve a digital provider for an initial term of three consecutive school years, and may reapprove a digital provider for a subsequent term of three to five consecutive school years if warranted by the digital provider's academic, financial, and operational performance. For the commissioner to reapprove a digital provider, among other effectiveness criteria established by the commissioner, a digital provider must demonstrate to the commissioner it is making satisfactory progress toward meeting its education goals and performance objectives and those of its students, as described in its application.

(d) An enrolling district may challenge the validity of a course offered by ~~an online a~~ digital learning provider. The department must review such challenges based on the ~~certification~~ procedures under paragraph ~~(a)~~ (b). The department may initiate its own review of the validity of ~~an online a~~ digital learning course offered by ~~an online a~~ digital learning provider.

~~(e)~~ (e) The department may collect a fee not to exceed \$250 for certifying ~~online digital~~ learning providers or \$50 per course for reviewing a challenge by an enrolling district.

~~(d)~~ (f) The department must develop, publish, and maintain a list of ~~approved online digital~~ learning providers ~~and online learning courses and programs~~ that it has reviewed and ~~certified~~ approved.

(g) The commissioner must work with district schools, intermediate districts, and charter schools to develop digital learning consortia.

Sec. 8. Minnesota Statutes 2010, section 124D.095, subdivision 10, is amended to read:

Subd. 10. **Online Digital Learning Advisory Council.** (a) ~~An Online~~ A Digital Learning Advisory Council is established. The term for each council member shall be three years. The advisory council is composed of 12 members from throughout the state who have demonstrated experience with or interest in ~~online digital~~ learning. The members of the council shall be appointed by the commissioner. The advisory council shall bring to the attention of the commissioner any matters related to ~~online digital~~ learning and provide input to the department in matters related, but not restricted, to:

- (1) quality assurance;
- (2) teacher qualifications;
- (3) program approval;
- (4) special education;
- (5) attendance;
- (6) program design and requirements; and
- (7) fair and equal access to programs.

(b) The Digital Learning Advisory Council, in consultation with the department and the Minnesota Learning Commons, shall:

(1) develop and maintain a catalog of publicly available digital learning content aligned with Minnesota academic standards that includes:

- (i) an index of Minnesota academic standards aligned with curriculum;
- (ii) feedback from student and teacher catalog users; and
- (iii) a maintenance plan; and

(2) recommend to the committees of the legislature having jurisdiction over kindergarten through grade 12 education within three months of enactment how to add student performance data to the digital resources included in the catalog.

(c) The Online Learning Advisory Council under this subdivision expires June 30, 2013.

Sec. 9. Minnesota Statutes 2010, section 126C.15, subdivision 1, is amended to read:

Subdivision 1. **Use of revenue.** The basic skills revenue under section 126C.10, subdivision 4, must be reserved and used to meet the educational needs of pupils who enroll under-prepared to learn and whose progress toward meeting state or local content or performance standards is below the level that is appropriate for learners of their age. Any of the following may be provided to meet these learners' needs:

- (1) direct instructional services under the assurance of mastery program according to section 124D.66;
- (2) remedial instruction in reading, language arts, mathematics, other content areas, or study skills to improve the achievement level of these learners;
- (3) additional teachers and teacher aides to provide more individualized instruction to these learners through individual tutoring, lower instructor-to-learner ratios, or team teaching;
- (4) a longer school day or week during the regular school year or through a summer program that may be offered directly by the site or under a performance-based contract with a community-based organization;
- (5) comprehensive and ongoing staff development consistent with district and site plans according to section 122A.60, for teachers, teacher aides, principals, and other personnel to improve their ability to identify the needs of these learners and provide appropriate remediation, intervention, accommodations, or modifications;
- (6) instructional materials, digital learning, and technology appropriate for meeting the individual needs of these learners;
- (7) programs to reduce truancy, encourage completion of high school, enhance self-concept, provide health services, provide nutrition services, provide a safe and secure learning environment, provide coordination for pupils receiving services from other governmental agencies, provide psychological services to determine the level of social, emotional, cognitive, and intellectual development, and provide counseling services, guidance services, and social work services;
- (8) bilingual programs, bicultural programs, and programs for learners of limited English proficiency;
- (9) all day kindergarten;
- (10) extended school day and extended school year programs; and
- (11) substantial parent involvement in developing and implementing remedial education or intervention plans for a learner, including learning contracts between the school, the learner, and the parent that establish achievement goals and responsibilities of the learner and the learner's parent or guardian.

Sec. 10. **DIGITAL LEARNING ADVISORY COUNCIL REPORT.**

(a) The Digital Learning Advisory Council, in consultation with recognized experts and interested stakeholders, shall review state education statutes and rules and recommend how best to amend the statutes and rules to effectively integrate technology into kindergarten through grade 12 and postsecondary education.

(b) The council shall review the effect of student-teacher ratios and teacher licensure requirements on digital learning and include the review in its report under paragraph (d).

(c) The Minnesota Department of Education shall assist the council upon request.

(d) The council must submit a report to the committees of the legislature with jurisdiction over kindergarten through grade 12 education by January 15, 2013, recommending statutory and rule changes to better integrate technology into kindergarten through grade 12 and postsecondary education.

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

Sec. 11. **REVISOR'S INSTRUCTION.**

In the next edition of Minnesota Statutes and Minnesota Rules, the revisor of statutes shall substitute the term "digital" for the term "online" wherever the term "online" appears pertaining to Minnesota Statutes, section 124D.095."

Amend the title as follows:

Page 1, line 2, after the second semicolon, insert "modifying graduation requirements;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Education Finance.

The report was adopted.

Anderson, B., from the Veterans Services Division to which was referred:

H. F. No. 2139, A bill for an act relating to taxes; individual income; providing a tax credit to employers that employ qualified veterans; amending Minnesota Statutes 2010, section 290.06, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, after line 18, insert:

"(e) If the amount of the credit determined under this section exceeds the liability for tax under this chapter, the excess may be carried forward to each of the next ten taxable years. The entire amount of the excess unused credit for the taxable year shall be carried first to the earliest of the taxable years to which the credit may be carried, and then to each successive year to which the credit may be carried. The amount of the unused credit which may be added under this paragraph shall not exceed the taxpayer's liability for tax less the credit under this section for the taxable year."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Cornish from the Committee on Public Safety and Crime Prevention Policy and Finance to which was referred:

H. F. No. 2160, A bill for an act relating to public safety; permitting law enforcement to take fingerprints of an offender interacting with the criminal justice system for any offense to eliminate a suspense record; amending Minnesota Statutes 2011 Supplement, section 299C.10, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Civil Law.

The report was adopted.

Gunther from the Committee on Jobs and Economic Development Finance to which was referred:

H. F. No. 2172, A bill for an act relating to appropriations; eliminating the transfer of funds from the construction code fund to the general fund; amending Laws 2007, chapter 135, article 1, section 16.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Peppin from the Committee on Government Operations and Elections to which was referred:

H. F. No. 2211, A bill for an act relating to job creation; imposing a temporary moratorium on state agency rulemaking.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **RULEMAKING MORATORIUM.**

(a) It is the intent of the legislature in enacting this section to provide for a stable and predictable regulatory environment for businesses in this state by instituting a temporary rulemaking moratorium.

(b) For purposes of this section, "agency" has the meaning given in Minnesota Statutes, section 14.02, subdivision 2.

(c) No agency shall conduct rulemaking or adopt rules for the two-year period beginning July 1, 2012, and ending June 30, 2014, except under:

(1) the good cause exemption in Minnesota Statutes, section 14.388, subdivision 1, including clause (1) relating to a serious and immediate threat to the public health, safety, or welfare; clause (2) relating to compliance with a court order or a requirement in federal law; clause (3) relating to incorporation of specific changes set forth in statute; and clause (4) relating to changes that do not alter the sense, meaning, or effect of a rule; or

(2) the process for repealing obsolete rules in Minnesota Statutes, section 14.3895.

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

With the recommendation that when so amended the bill pass and be re-referred to the Committee on State Government Finance.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1524 and 1812 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Kriesel introduced:

H. F. No. 2245, A bill for an act relating to capital investment; appropriating money for a grant to the city of Cottage Grove to convert the former city hall to a business incubator; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance.

Daudt introduced:

H. F. No. 2246, A bill for an act relating to public safety; allowing convictions under the original criminal vehicular operation law to enhance certain DWI offenses; correcting a legislative oversight; amending Minnesota Statutes 2010, sections 169A.03, subdivisions 20, 21; 169A.24, subdivision 1.

The bill was read for the first time and referred to the Committee on Public Safety and Crime Prevention Policy and Finance.

Daudt, Garofalo and Drazkowski introduced:

H. F. No. 2247, A bill for an act relating to game and fish; allowing the use of night vision equipment while taking coyotes; amending Minnesota Statutes 2010, section 97B.086.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Anzelc introduced:

H. F. No. 2248, A bill for an act relating to natural resources; directing the commissioner of natural resources and the Environmental Quality Board to amend rules relating to scam mining operations.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Daudt, Garofalo, Kieffer, Gottwalt, Sanders, Drazkowski, LeMieur, Lohmer, Gruenhagen, Woodard, Stensrud, Banaian, Scott, McElfatrick, Dean, Torkelson, Kelly and Hamilton introduced:

H. F. No. 2249, A bill for an act relating to human services; limiting electronic benefit card transactions; amending Minnesota Statutes 2011 Supplement, section 256.987, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services Reform.

Daudt, Garofalo, Drazkowski, Kieffer, LeMieur, Gottwalt, Lohmer, Gruenhagen, Woodard, Stensrud, Scott, McElfatrick, Dean, Torkelson, Kelly and Hamilton introduced:

H. F. No. 2250, A bill for an act relating to human services; modifying residency requirements; amending Minnesota Statutes 2010, sections 256D.02, subdivision 12a; 256J.12, subdivisions 1a, 2.

The bill was read for the first time and referred to the Committee on Health and Human Services Reform.

Anderson, D.; Gottwalt; Abeler and Hoppe introduced:

H. F. No. 2251, A bill for an act relating to insurance; shifting regulatory authority over health maintenance organizations from the commissioner of health to the commissioner of commerce; amending Minnesota Statutes 2010, sections 62D.02, subdivision 3; 62D.05, subdivision 6; 62D.12, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services Reform.

Lohmer, Norton, Schomacker and McElfatrick introduced:

H. F. No. 2252, A bill for an act relating to human services; instructing the commissioner to develop a plan for a residential campus for individuals with autism.

The bill was read for the first time and referred to the Committee on Health and Human Services Reform.

Lohmer, Abeler and Huntley introduced:

H. F. No. 2253, A bill for an act relating to human services; allowing out-of-state residential mental health treatment for certain children; amending Minnesota Statutes 2010, section 256B.0945, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services Finance.

Shimanski, Gottwalt, Abeler and Hoppe introduced:

H. F. No. 2254, A bill for an act relating to insurance; permitting accelerated benefits available under a life insurance policy to include long-term care coverage; permitting use of life insurance cash value to pay premiums on long-term care insurance; amending Minnesota Statutes 2010, section 61A.072, subdivisions 1, 5; proposing coding for new law in Minnesota Statutes, chapter 61A.

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform.

Downey introduced:

H. F. No. 2255, A bill for an act relating to taxation; sales and use; allowing capital equipment exemption at time of purchase; amending Minnesota Statutes 2010, section 297A.68, subdivision 5; Minnesota Statutes 2011 Supplement, section 297A.75, subdivisions 1, 2, 3.

The bill was read for the first time and referred to the Committee on Taxes.

Anzelski introduced:

H. F. No. 2256, A bill for an act relating to natural resources; authorizing county intermediate auction sales of timber; amending Minnesota Statutes 2010, section 90.121.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Bills, Mack, Cornish and Smith introduced:

H. F. No. 2257, A bill for an act relating to natural resources; providing for continued operation of the Minnesota Zoological Garden when biennial appropriations have not been enacted; appropriating money; amending Minnesota Statutes 2010, section 85A.04, subdivision 1.

The bill was read for the first time and referred to the Committee on State Government Finance.

Abeler and Anderson, D., introduced:

H. F. No. 2258, A bill for an act relating to human services; creating a chemical health navigation program; limiting residential chemical dependency treatment; requiring a report; amending Minnesota Statutes 2010, sections 254B.03, subdivision 1; 254B.04, subdivision 1; 256B.69, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 254B.

The bill was read for the first time and referred to the Committee on Health and Human Services Reform.

Dettmer and Shimanski introduced:

H. F. No. 2259, A bill for an act relating to lawful gambling; increasing the allowable per diem reimbursement from lawful gambling net profits for military marching, color guard, or honor guard units; amending Minnesota Statutes 2010, section 349.12, subdivision 25.

The bill was read for the first time and referred to the Committee on State Government Finance.

Dettmer, Persell, Smith, Kiel, McElpatrick, Moran, Mullery, Hancock and Shimanski introduced:

H. F. No. 2260, A resolution memorializing Congress and the President of the United States to amend federal veterans cemetery law to expand eligibility for burial in state veterans cemeteries developed with federal funding to include allied Hmong-American and Lao-American veterans of America's Secret War in Laos.

The bill was read for the first time and referred to the Veterans Services Division.

Dettmer, Crawford, Persell, Smith, Kiel, McElpatrick, Moran, Mullery, Hancock and Shimanski introduced:

H. F. No. 2261, A bill for an act relating to veterans; expanding eligibility for burial in the Minnesota State Veterans Cemetery to include deceased allied Hmong-American or Lao-American veterans of the American Secret War in Laos; amending Minnesota Statutes 2010, section 197.236, subdivision 8.

The bill was read for the first time and referred to the Committee on State Government Finance.

Greiling introduced:

H. F. No. 2262, A bill for an act relating to background checks; requiring a background check on certain hotel, motel, and lodging establishment employees; requiring a background check on volunteers of certain shelters serving battered women and the homeless; amending Minnesota Statutes 2010, sections 157.16, subdivision 1; 245C.03, by adding a subdivision; 245C.04, by adding a subdivision; 245C.10, by adding a subdivision; 299C.66; 299C.67, by adding subdivisions; 299C.70; 299C.71; 611A.371, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 299C.

The bill was read for the first time and referred to the Committee on Health and Human Services Reform.

Stensrud, Mahoney, Fritz and Murray introduced:

H. F. No. 2263, A bill for an act relating to labor and industry; implementing window cleaning safety measures; amending Minnesota Statutes 2010, section 326B.106, subdivision 4.

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform.

Banaian introduced:

H. F. No. 2264, A bill for an act relating to governmental financial reporting; requiring the Minnesota Management and Budget Department to report on the adequacy of budgeted and forecasted defined benefit retirement plan contributions; proposing coding for new law in Minnesota Statutes, chapter 16A.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Lanning introduced:

H. F. No. 2265, A bill for an act relating to retirement health care; Minnesota State Retirement System health care savings plan; specifying that plan distributions must go to living persons; making other changes of an administrative nature; amending Minnesota Statutes 2010, section 352.98, subdivisions 3, 4, 5, 8.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Lanning introduced:

H. F. No. 2266, A bill for an act relating to retirement; Public Employees Retirement Association; making changes of an administrative nature by revising a cross-reference; specifying the timing of annual employer supplemental contributions for the MERF division; revising a compensating limit provision to comply with federal law; amending Minnesota Statutes 2010, sections 353.50, subdivision 7; 356.611, subdivision 2; Minnesota Statutes 2011 Supplement, section 353.01, subdivision 16.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Abeler introduced:

H. F. No. 2267, A bill for an act relating to metropolitan government; requiring the Metropolitan Council to reduce its allocation of regional parks and open space funding to the Three Rivers Park District.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Abeler and Dittrich introduced:

H. F. No. 2268, A bill for an act relating to higher education; requiring the Board of Trustees of Minnesota State Colleges and Universities to implement a policy on awarding college credit for tech-prep programs; requiring a report.

The bill was read for the first time and referred to the Committee on Higher Education Policy and Finance.

Lanning, by request, Kahn, Simon, Greene, Winkler, Gauthier, Slawik and Lillie introduced:

H. F. No. 2269, A bill for an act relating to elections; determining funds for Help America Vote Act; appropriating money.

The bill was read for the first time and referred to the Committee on State Government Finance.

Torkelson, Dill, Vogel, Fabian, Cornish, Hancock and Persell introduced:

H. F. No. 2270, A bill for an act relating to natural resources; modifying certain parks and trails grant program provisions; amending Minnesota Statutes 2010, section 85.535, subdivision 3.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Gauthier; Murphy, M.; Hilty; Allen; Thissen; Hornstein; Huntley and Greene introduced:

H. F. No. 2271, A bill for an act relating to capital investment; appropriating money for Minneapolis to Duluth high speed passenger rail; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Transportation Policy and Finance.

Hornstein, Morrow and Gauthier introduced:

H. F. No. 2272, A bill for an act relating to transportation; amending Minnesota Statutes 2010, sections 174.632; 174.636.

The bill was read for the first time and referred to the Committee on Transportation Policy and Finance.

Torkelson introduced:

H. F. No. 2273, A bill for an act relating to environment; providing for automatic approval of minor permits and minor permit amendments if timely action is not taken; prohibiting adoption of water quality standards more restrictive than federal standards; requiring deposit of monetary penalties from environmental violations be redirected to general fund; creating citizen's board; modifying content requirements for environmental review; amending Minnesota Statutes 2010, sections 115.073; 116.02, subdivisions 1, 2, 3, 4, 6; 116.03, subdivision 1; 116D.04, by adding a subdivision; Minnesota Statutes 2011 Supplement, sections 84.027, subdivision 14a; 116.03, subdivision 2b; proposing coding for new law in Minnesota Statutes, chapter 115; repealing Minnesota Statutes 2010, section 116.02, subdivisions 7, 8.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Rukavina and Howes introduced:

H. F. No. 2274, A bill for an act relating to public safety; allowing participants in original ignition interlock device program to drive noninterlock equipped employer-owned vehicles in certain instances.

The bill was read for the first time and referred to the Committee on Public Safety and Crime Prevention Policy and Finance.

Rukavina, Howes and Melin introduced:

H. F. No. 2275, A bill for an act relating to higher education; Mesabi Range Community and Technical College; appropriating money for windmill installation.

The bill was read for the first time and referred to the Committee on Higher Education Policy and Finance.

Kiffmeyer, Abeler, Franson, Davids, Gottwalt, Hoppe, Gruenhagen, McDonald, Slocum and Lillie introduced:

H. F. No. 2276, A bill for an act relating to health; requiring accreditation of advanced diagnostic imaging services operating in the state; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Health and Human Services Finance.

Mahoney, Melin, Nelson and Thissen introduced:

H. F. No. 2277, A bill for an act relating to taxation; establishing a new jobs now tax credit; appropriating money; making changes to corporate franchise and sales and use taxes; amending Minnesota Statutes 2010, sections 290.01, subdivision 19d; 290.17, subdivision 4; 290.21, subdivision 4; 297A.66, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 290.

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance.

Slocum, Greiling, Paymar and Wagenius introduced:

H. F. No. 2278, A bill for an act relating to game and fish; prohibiting use of lead shot to take wolves; amending Minnesota Statutes 2010, section 97B.031, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Slocum, Greiling, Nelson, Wagenius, Persell, Allen and Mullery introduced:

H. F. No. 2279, A bill for an act relating to insurance; modifying the limitations on the use of credit information; amending Minnesota Statutes 2010, section 72A.20, subdivision 36.

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform.

Loon; Gunther; Torkelson; Murphy, E., and Davids introduced:

H. F. No. 2280, A bill for an act relating to taxation; liquor; modifying the definition of a qualified brewer; amending Minnesota Statutes 2010, section 297G.04, subdivision 2.

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform.

Laine; Greiling; Hausman; Allen; Slocum; Fritz; Benson, J.; Tillberry; Winkler and Clark introduced:

H. F. No. 2281, A bill for an act relating to health records; decreasing the cost a provider may charge a patient for copying records; amending Minnesota Statutes 2010, section 144.292, subdivision 6.

The bill was read for the first time and referred to the Committee on Health and Human Services Reform.

Laine, Paymar, Wagenius, Greiling, Hausman, Allen, Slocum and Clark introduced:

H. F. No. 2282, A bill for an act relating to public safety; eliminating the right of violent felons to petition the court to have their ability to possess a firearm restored; amending Minnesota Statutes 2010, sections 242.31, subdivision 2a; 260B.245, subdivision 1; 609.165, subdivisions 1a, 1b; 609A.03, subdivision 5a; 609B.611; 624.713, subdivision 2; repealing Minnesota Statutes 2010, section 609.165, subdivision 1d.

The bill was read for the first time and referred to the Committee on Public Safety and Crime Prevention Policy and Finance.

McElfatrick introduced:

H. F. No. 2283, A bill for an act relating to local government aid; modifying the payment to certain cities; amending Minnesota Statutes 2010, section 477A.011, subdivision 36.

The bill was read for the first time and referred to the Committee on Taxes.

Winkler; Murphy, E.; Wagenius; Lesch; Murphy, M.; Kahn; Gauthier; Laine; Hausman; Mahoney; Nelson; Melin; Norton and Loeffler introduced:

H. F. No. 2284, A bill for an act relating to workforce development; designating the Middle Class Jobs Act; providing for early warning; modifying sick leave; amending business subsidy disclosure requirements; clarifying workplace communications; modifying minimum wage requirements; creating penalties; amending Minnesota Statutes 2010, sections 16C.08, subdivision 4; 116J.035, by adding subdivisions; 116J.994, subdivisions 7, 8, by adding a subdivision; 116L.976, subdivision 1, by adding a subdivision; 177.24, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 16C; 181.

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance.

Kahn, Hilty, Hausman and Nornes introduced:

H. F. No. 2285, A bill for an act relating to energy; requiring an expenditure from the renewable development account to the University of Minnesota; amending Minnesota Statutes 2011 Supplement, section 116C.779, subdivision 3.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Loon, Runbeck, Garofalo, Hansen and Doepke introduced:

H. F. No. 2286, A bill for an act relating to capital investment; appropriating money for grants to metropolitan area cities to address inflow and infiltration in the sewer system; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Slocum, Greiling, Nelson, Wagenius and Persell introduced:

H. F. No. 2287, A bill for an act relating to charitable solicitations; regulating public disclosures of certain charitable organization salaries; amending Minnesota Statutes 2010, section 309.556, subdivision 1.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

McElfatrick, Dean, Daudt, Torkelson, Erickson, Hoppe and Kelly introduced:

H. F. No. 2288, A bill for an act relating to child protection; expanding the state's safe haven law; amending Minnesota Statutes 2010, sections 145.902; 260C.217; 609.3785; proposing coding for new law in Minnesota Statutes, chapter 604A.

The bill was read for the first time and referred to the Committee on Health and Human Services Reform.

Anderson, P.; Schomacker and Swedzinski introduced:

H. F. No. 2289, A bill for an act relating to appropriations; eliminating the transfer of funds from the construction code fund to the general fund; appropriating money for electrical inspections in the event of a government shutdown; amending Minnesota Statutes 2010, section 326B.36, by adding a subdivision; Laws 2007, chapter 135, article 1, section 16.

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance.

Atkins; Murphy, E.; Huntley; Hoppe; Hosch; Abeler; Davids; Mullery; Thissen; Fritz; Benson, J.; Tillberry; Slocum; Nelson; Knuth; Allen; Lesch and Lillie introduced:

H. F. No. 2290, A bill for an act relating to commerce; establishing the Minnesota Insurance Marketplace; prescribing its powers and duties; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 62V.

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform.

Mariani introduced:

H. F. No. 2291, A bill for an act relating to education finance; creating a process for adjusting adult basic education contact hours lost due to a service disruption; amending Minnesota Statutes 2010, sections 124D.518, subdivision 3, by adding a subdivision; 124D.531, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education Finance.

Loon; Murphy, E.; McFarlane; Fritz; Hosch; Abeler; Anderson, B.; Brynaert; Greene; Huntley; Howes; Wagenius; Knuth; Hortman; Champion; Hornstein; Kahn; Simon; Cornish; Anzelc; Ward; Peterson, S.; Lanning; Nornes; Murdock; Slawik; Greiling; Daudt; Woodard; Anderson, S.; Benson, M.; Myhra; Kelly; Eken and Norton introduced:

H. F. No. 2292, A bill for an act relating to adoption; modifying provisions governing access to adoption records and original birth certificates; amending Minnesota Statutes 2010, sections 13.465, subdivision 8; 144.218, subdivision 1; 144.225, subdivision 2; 144.2252; 144.226, subdivision 1; 259.89, subdivision 1; 260C.317, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 2010, sections 259.83, subdivision 3; 259.89, subdivisions 2, 3, 4.

The bill was read for the first time and referred to the Committee on Health and Human Services Reform.

Davnie and Erickson introduced:

H. F. No. 2293, A bill for an act relating to education; extending for one additional year school districts' ability to use prone restraints under some conditions; requiring data collection and reporting; amending Minnesota Statutes 2011 Supplement, section 125A.0942, subdivision 3.

The bill was read for the first time and referred to the Committee on Education Reform.

Abeler and Huntley introduced:

H. F. No. 2294, A bill for an act relating to human services; providing a supplementary rate for a certain group residential housing provider; modifying the general assistance program; modifying early childhood learning and child protection facilities; amending Minnesota Statutes 2010, sections 256D.06, subdivision 1b; 256E.37, subdivision 1; 256I.05, subdivision 1e.

The bill was read for the first time and referred to the Committee on Health and Human Services Finance.

Drazkowski introduced:

H. F. No. 2295, A bill for an act relating to state expenditures; creating an annual state expenditure report; proposing coding for new law in Minnesota Statutes, chapter 16A.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Dill, Melin, Anzelc and Rukavina introduced:

H. F. No. 2296, A bill for an act relating to agriculture; making permanent certain exceptions to the minimum content requirements for biodiesel; amending Minnesota Statutes 2010, section 239.77, subdivision 3.

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform.

Dill introduced:

H. F. No. 2297, A bill for an act relating to taxation; modifying the levy authority of the Cook-Orr Hospital District; amending Laws 1988, chapter 645, section 3, as amended.

The bill was read for the first time and referred to the Committee on Taxes.

Dill introduced:

H. F. No. 2298, A bill for an act relating to Saint Louis County; authorizing the sale of certain tax-forfeited leased lands.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

McFarlane, Abeler, Greiling, Davnie and Mariani introduced:

H. F. No. 2299, A bill for an act relating to education finance; increasing the revenue for safe schools programs; amending Minnesota Statutes 2011 Supplement, section 126C.44.

The bill was read for the first time and referred to the Committee on Education Finance.

Greiling and Mariani introduced:

H. F. No. 2300, A bill for an act relating to education finance; authorizing school districts to replace special education revenue lost to the statewide special education appropriations caps; proposing coding for new law in Minnesota Statutes, chapter 125A.

The bill was read for the first time and referred to the Committee on Education Finance.

Greiling, Davnie and Mariani introduced:

H. F. No. 2301, A bill for an act relating to education finance; authorizing school districts to levy for changes to employer contribution for teacher retirement; amending Minnesota Statutes 2010, section 126C.41, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education Finance.

Kriesel, Greiling, Lohmer and Lenczewski introduced:

H. F. No. 2302, A bill for an act relating to public safety; prohibiting predatory offenders from serving as hotel or motel employees; requiring background checks; amending Minnesota Statutes 2010, sections 299C.67, by adding subdivisions; 299C.68; 299C.69; 299C.70; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Public Safety and Crime Prevention Policy and Finance.

Murdock introduced:

H. F. No. 2303, A bill for an act relating to capital investment; appropriating money for street and utility improvements in Wadena including infrastructure damaged by the 2010 tornado; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance.

Murdock and Nornes introduced:

H. F. No. 2304, A bill for an act relating to capital investment; appropriating money for agriculture reconfiguration and main building renovation at Central Lakes College, Staples; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Higher Education Policy and Finance.

Gunther and Rukavina introduced:

H. F. No. 2305, A bill for an act relating to barbers; changing licenses and fees; creating penalties; appropriating money; amending Minnesota Statutes 2010, sections 154.001, by adding a subdivision; 154.003; 154.02; 154.05; 154.06; 154.065, subdivision 2; 154.07, subdivision 1; 154.08; 154.09; 154.10, subdivision 1; 154.11, subdivision 1; 154.12; 154.14; 154.15, subdivision 2; 154.26; Laws 2011, First Special Session chapter 4, article 1, section 11; proposing coding for new law in Minnesota Statutes, chapter 154.

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance.

Drazkowski introduced:

H. F. No. 2306, A bill for an act relating to labor relations; providing for access to labor organization membership information; clarifying fair share fee challenges; modifying independent review of grievances; amending Minnesota Statutes 2010, sections 179.16, by adding subdivisions; 179A.06, subdivision 3; 179A.12, by adding subdivisions; 179A.25; proposing coding for new law in Minnesota Statutes, chapter 179A.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Daudt, Davids, Atkins, Sanders, Hoppe and Lillie introduced:

H. F. No. 2307, A bill for an act relating to insurance; property and casualty; permitting a written disclosure of guaranty association coverage when a policy is delivered; expanding access to accident reports to include all parties involved; amending Minnesota Statutes 2010, section 169.09, subdivision 13; Minnesota Statutes 2011 Supplement, section 60C.21, subdivision 1.

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform.

Kieffer, Atkins, Mazorol, Davnie and Hoppe introduced:

H. F. No. 2308, A bill for an act relating to mortgages; modifying provisions relating to foreclosure consultants; amending Minnesota Statutes 2010, section 325N.01.

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform.

Beard, Dill, Rukavina, Hoppe, Scott, Anzelc, Holberg and Melin introduced:

H. F. No. 2309, A bill for an act relating to commerce; weights and measures; biodiesel fuel; amending Minnesota Statutes 2010, section 239.77, subdivision 3.

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform.

Erickson introduced:

H. F. No. 2310, A bill for an act relating to education; repealing obsolete statutes; amending Minnesota Statutes 2010, sections 120A.22, subdivision 2; 126C.12, subdivision 2; Minnesota Statutes 2011 Supplement, section 120B.30, subdivision 1; repealing Minnesota Statutes 2010, sections 120A.28; 120B.019; 120B.13, subdivision 1; 120B.31, subdivision 3; 121A.60, subdivisions 3, 4; 121A.62; 121A.63; 122A.18, subdivision 9; 122A.68.

The bill was read for the first time and referred to the Committee on Education Reform.

Paymar introduced:

H. F. No. 2311, A bill for an act relating to economic development; appropriating funds paid to the state by Ford Motor Company.

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance.

Rukavina, Winkler and Howes introduced:

H. F. No. 2312, A bill for an act relating to capital improvements; authorizing the use of state appropriations for renewable solar energy; proposing coding for new law in Minnesota Statutes, chapter 16B.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Rukavina introduced:

H. F. No. 2313, A bill for an act relating to taxation; property; changing the interest rate on delinquent property taxes; amending Minnesota Statutes 2010, section 279.03, subdivisions 1a, 2.

The bill was read for the first time and referred to the Committee on Taxes.

Howes introduced:

H. F. No. 2314, A bill for an act relating to environment; modifying the delay implementation of a certain rule; amending Laws 2010, chapter 361, article 4, section 73, as amended.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Beard, Nelson, Hansen, Vogel and Murdock introduced:

H. F. No. 2315, A bill for an act relating to motor vehicles; increasing registration tax by \$100 on electric vehicles; amending Minnesota Statutes 2010, section 168.013, subdivision 1a.

The bill was read for the first time and referred to the Committee on Transportation Policy and Finance.

Sanders, Beard and Peppin introduced:

H. F. No. 2316, A bill for an act relating to highway construction; requiring a special slurry disposal provision in certain highway construction, improvement, or repair contracts; proposing coding for new law in Minnesota Statutes, chapter 161.

The bill was read for the first time and referred to the Committee on Transportation Policy and Finance.

Knuth, Greene, Atkins, Brynaert and Hornstein introduced:

H. F. No. 2317, A bill for an act relating to energy; establishing incentive payments for public buildings installing solar photovoltaic devices; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 216C.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Downey introduced:

H. F. No. 2318, A bill for an act relating to taxation; property; reducing business property taxes; amending Minnesota Statutes 2010, section 275.025, subdivisions 1, 4.

The bill was read for the first time and referred to the Committee on Taxes.

Downey introduced:

H. F. No. 2319, A bill for an act relating to job creation; creating a small business regulatory review board; providing legislative appointments; proposing coding for new law in Minnesota Statutes, chapter 14.

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance.

Hilty introduced:

H. F. No. 2320, A bill for an act relating to local government; authorizing Carlton County to levy a tax for certain cemetery purposes; amending Laws 1999, chapter 243, article 6, section 11.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Scalze introduced:

H. F. No. 2321, A bill for an act relating to metropolitan government; authorizing new transit service opt-outs; amending Minnesota Statutes 2010, section 473.388, subdivision 2.

The bill was read for the first time and referred to the Committee on Transportation Policy and Finance.

Anderson, S.; Banaian and Peterson, S., introduced:

H. F. No. 2322, A bill for an act relating to higher education; requiring an expanded waiver for mandatory health care coverage; proposing coding for new law in Minnesota Statutes, chapter 135A.

The bill was read for the first time and referred to the Committee on Higher Education Policy and Finance.

Hortman introduced:

H. F. No. 2323, A bill for an act relating to public safety; modifying provisions relating to child passenger restraint systems to qualify for federal money; authorizing commissioner of public safety to accept federal money; amending Minnesota Statutes 2010, sections 169.685, subdivision 6; 299A.01, subdivision 2, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation Policy and Finance.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Dean from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bills to be placed on the Calendar for the Day for Thursday, February 16, 2012:

S. F. No. 247; H. F. Nos. 1870, 1926 and 657; and S. F. Nos. 1213 and 1268.

MOTIONS AND RESOLUTIONS

Hansen moved that the name of Lillie be added as an author on H. F. No. 684. The motion prevailed.

Smith moved that the name of Kieffer be added as an author on H. F. No. 876. The motion prevailed.

Morrow moved that the names of Murphy, E.; Hosch and Paymar be added as authors on H. F. No. 1014. The motion prevailed.

Fritz moved that her name be stricken as an author on H. F. No. 1087. The motion prevailed.

Atkins moved that his name be stricken as an author on H. F. No. 1254. The motion prevailed.

Hortman moved that the name of Murdock be added as an author on H. F. No. 1429. The motion prevailed.

Holberg moved that the name of Dettmer be added as an author on H. F. No. 1515. The motion prevailed.

Anderson, P., moved that the name of Dettmer be added as an author on H. F. No. 1585. The motion prevailed.

Kiffmeyer moved that the name of McElfatrick be added as an author on H. F. No. 1597. The motion prevailed.

Loon moved that the names of Daudt, Sanders, Garofalo and Stensrud be added as authors on H. F. No. 1755. The motion prevailed.

Kieffer moved that the name of Dettmer be added as an author on H. F. No. 1770. The motion prevailed.

Melin moved that the names of Gauthier, Persell and Anzelc be added as authors on H. F. No. 1793. The motion prevailed.

Petersen, B., moved that the names of Loon and Doepke be added as authors on H. F. No. 1870. The motion prevailed.

Howes moved that the name of Kahn be added as an author on H. F. No. 1924. The motion prevailed.

Wagenius moved that the name of Ward be added as an author on H. F. No. 1963. The motion prevailed.

Nornes moved that the name of Morrow be added as an author on H. F. No. 1990. The motion prevailed.

Kelly moved that the names of Morrow and Atkins be added as authors on H. F. No. 1992. The motion prevailed.

Downey moved that the name of Gruenhagen be added as an author on H. F. No. 2002. The motion prevailed.

Dittrich moved that the names of Erickson and Slocum be added as authors on H. F. No. 2078. The motion prevailed.

Hilty moved that his name be stricken as an author on H. F. No. 2082. The motion prevailed.

Fabian moved that the name of Schomacker be added as an author on H. F. No. 2095. The motion prevailed.

Kiel moved that the name of Shimanski be added as an author on H. F. No. 2158. The motion prevailed.

Swedzinski moved that the name of Shimanski be added as an author on H. F. No. 2159. The motion prevailed.

McElfatrick moved that the name of Crawford be added as an author on H. F. No. 2172. The motion prevailed.

Peterson, S., moved that the name of Slocum be added as an author on H. F. No. 2177. The motion prevailed.

Brynaert moved that the names of Slocum, Champion and Hilstrom be added as authors on H. F. No. 2181. The motion prevailed.

Melin moved that the names of Slocum, Fritz and Hilstrom be added as authors on H. F. No. 2182. The motion prevailed.

Koenen moved that the name of Hilstrom be added as an author on H. F. No. 2183. The motion prevailed.

Mahoney moved that the names of Slocum and Hilstrom be added as authors on H. F. No. 2184. The motion prevailed.

Scalze moved that the name of Hilstrom be added as an author on H. F. No. 2185. The motion prevailed.

Fritz moved that the name of Hilstrom be added as an author on H. F. No. 2186. The motion prevailed.

Kiffmeyer moved that the names of Shimanski and Lohmer be added as authors on H. F. No. 2188. The motion prevailed.

Hosch moved that the name of Allen be added as an author on H. F. No. 2198. The motion prevailed.

Kahn moved that the name of Slocum be added as an author on H. F. No. 2217. The motion prevailed.

Slawik moved that the names of Slocum and Allen be added as authors on H. F. No. 2219. The motion prevailed.

Allen moved that the name of Fritz be added as an author on H. F. No. 2225. The motion prevailed.

Wagenius moved that the name of Torkelson be added as an author on H. F. No. 2228. The motion prevailed.

Drazkowski moved that the name of Lohmer be added as an author on H. F. No. 2232. The motion prevailed.

Simon moved that the name of Slocum be added as an author on H. F. No. 2233. The motion prevailed.

Gottwalt moved that the name of Peterson, S., be added as an author on H. F. No. 2237. The motion prevailed.

Laine moved that the names of Knuth and Lohmer be added as authors on H. F. No. 2241. The motion prevailed.

O'Driscoll moved that the names of Persell, Erickson, Kiel, Melin, McFarlane, Ward, Downey, Bills, Quam and Kieffer be added as authors on H. F. No. 2244. The motion prevailed.

McNamara moved that H. F. No. 1852 be recalled from the Committee on Transportation Policy and Finance and be re-referred to the Committee on Environment, Energy and Natural Resources Policy and Finance. The motion prevailed.

MOTION TO FIX TIME TO CONVENE

Dean moved that when the House adjourns today it adjourn until 3:00 p.m., Thursday, February 16, 2012. The motion prevailed.

Dean moved that the House recess subject to the call of the Chair for the purpose of meeting with the Senate in Joint Convention to hear the address by the Governor. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

Champion was excused for the remainder of today's session.

The Sergeant at Arms announced the arrival of the members of the Senate and they were escorted to the seats reserved for them at the front of the Chamber.

JOINT CONVENTION

The Speaker of the House as President of the Joint Convention called the Joint Convention to order.

Prayer was offered by the Reverend Phil Shaw, Senate Chaplain.

The roll being called the following Senators answered to their names: Bakk, Benson and Bonoff.

Senator Senjem moved that further proceedings of the roll call be dispensed with. The motion prevailed and a quorum was declared present.

The Sergeant at Arms announced the arrival of the Honorable Lorie Skjerven Gildea, Chief Justice of the Supreme Court, and the Honorable Associate Justices of the Supreme Court, and the Honorable Matthew E. Johnson, Chief Judge of the Court of Appeals of the State of Minnesota. They were escorted to the seats reserved for them near the rostrum.

The Sergeant at Arms announced the arrival of the Constitutional Officers of the State of Minnesota: Mark Ritchie, Secretary of State; Rebecca Otto, State Auditor and Lori Swanson, Attorney General. The Constitutional Officers were escorted to the seats reserved for them.

The Sergeant at Arms announced the arrival of the Honorable Wendell R. Anderson, former Governor of the State of Minnesota. The distinguished guest was escorted to the seat reserved for him.

The Sergeant at Arms announced the arrival of the Honorable Walter F. Mondale, former Vice President of the United States. The distinguished guest was escorted to the seat reserved for him.

The Sergeant at Arms announced the arrival of the Honorable Yvonne Prettner Solon, Lieutenant Governor of the State of Minnesota. The Lieutenant Governor was escorted to the seat reserved for her at the rostrum.

The Sergeant at Arms announced the arrival of the Honorable Mark Dayton, Governor of the State of Minnesota, and his official party. The Governor was escorted to the rostrum by the appointed committees.

ADDRESS BY THE GOVERNOR

As President of the Joint Convention, the Honorable Kurt Zellers presented the Honorable Mark Dayton, Governor of the State of Minnesota, to deliver his "State of the State Address" to the members of the Joint Convention and their guests.

Following the address, Senator Senjem moved that the Joint Convention adjourn. The motion prevailed and the President declared the Joint Convention adjourned.

RECONVENED

The House reconvened and was called to order by the Speaker.

ADJOURNMENT

Dean moved that the House adjourn. The motion prevailed and the Speaker declared that the House stands adjourned until 3:00 p.m., Thursday, February 16, 2012.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives