

## STATE OF MINNESOTA

## NINETY-FIRST SESSION — 2019

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 TWENTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 27, 2019

The House of Representatives convened at 12:00 noon and was called to order by Melissa Hortman, Speaker of the House.

Prayer was offered by the Reverend Paul Kammen, Saint Joseph Catholic Church, Rosemount, Minnesota.

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

The Speaker administered the oath of office to the new House member, Nathan Nelson, from District 11B. His certificate of election is on file. He was elected in a special election held on Tuesday, March 19, 2019 to replace Jason Rarick whose resignation was effective at 11:59 p.m. on Tuesday, February 12, 2019.

## ANNOUNCEMENT BY THE CHIEF CLERK

In the Journal of the House for today, March 27, 2019, and for the remainder of the Ninety-First Session, Michael V. Nelson from District 40A will be referred to as Nelson, M., and Nathan Nelson from District 11B will be referred to as Nelson, N.

The roll was called and the following members were present:

Acomb	Davnie	Hansen	Lien	Nelson, M.	Sauke
Albright	Dehn	Hassan	Lillie	Nelson, N.	Schomacker
Anderson	Demuth	Hausman	Lippert	Neu	Scott
Backer	Dettmer	Heinrich	Lislegard	Noor	Stephenson
Bahner	Drazkowski	Heintzeman	Loeffler	Nornes	Sundin
Bahr	Ecklund	Her	Long	O'Driscoll	Swedzinski
Baker	Edelson	Hertaus	Lucero	Olson	Tabke
Becker-Finn	Elkins	Hornstein	Lueck	O'Neill	Theis
Bennett	Erickson	Howard	Mahoney	Pelowski	Torkelson
Bernardy	Fabian	Huot	Mann	Persell	Urdahl
Bierman	Fischer	Johnson	Mariani	Petersburg	Vang
Boe	Franson	Jurgens	Marquart	Pierson	Vogel
Brand	Freiberg	Kiel	Masin	Pinto	Wazlawik
Cantrell	Garofalo	Klevorn	McDonald	Poppe	Winkler
Carlson, A.	Gomez	Koegel	Mekeland	Poston	Wolgamott
Carlson, L.	Green	Kotzya-Witthuhn	Miller	Pryor	Xiong, J.
Christensen	Grossell	Koznick	Moller	Quam	Xiong, T.
Clafin	Gruenhagen	Kunesh-Podein	Moran	Richardson	Youakim
Considine	Gunther	Layman	Morrison	Robbins	Zerwas
Daniels	Haley	Lee	Munson	Runbeck	Spk. Hortman
Daudt	Halverson	Lesch	Murphy	Sandell	
Dauids	Hamilton	Liebling	Nash	Sandstede	

A quorum was present.

Kresha, Schultz, Wagenius and West were excused.

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

#### REPORTS OF CHIEF CLERK

S. F. No. 1618 and H. F. No. 1171, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Nash moved that S. F. No. 1618 be substituted for H. F. No. 1171 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES AND DIVISIONS

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 3, A bill for an act relating to health care; establishing OneCare Buy-In; establishing outpatient prescription drug program; modifying provisions governing dental administration; modifying provisions governing health care; requiring studies and reports; amending Minnesota Statutes 2018, sections 62J.497, subdivision 1; 256B.0644; 256B.69, subdivisions 6d, 35; 256B.76, subdivisions 2, 4; 256L.03, by adding a subdivision; 256L.11, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 256B; 256L; proposing coding for new law as Minnesota Statutes, chapter 256T; repealing Minnesota Statutes 2018, section 256L.11, subdivision 6a.

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

The report was adopted.

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 1397, A bill for an act relating to standards of time; providing for advanced standard time, also known as daylight saving time, year-round effective upon authorization by federal law; amending Minnesota Statutes 2018, section 645.071.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 1516, A bill for an act relating to health; modifying provisions governing home care providers; amending Minnesota Statutes 2018, sections 144A.43, subdivisions 11, 30, by adding a subdivision; 144A.472, subdivisions 5, 7; 144A.473; 144A.474, subdivision 2; 144A.475, subdivisions 1, 2, 5; 144A.476, subdivision 1;

144A.479, subdivision 7; 144A.4791, subdivisions 1, 3, 6, 7, 8, 9; 144A.4792, subdivisions 1, 2, 5, 10; 144A.4793, subdivision 6; 144A.4796, subdivision 2; 144A.4797, subdivision 3; 144A.4798; 144A.4799, subdivisions 1, 3; 144A.484, subdivision 1; repealing Minnesota Statutes 2018, sections 144A.45, subdivision 6; 144A.481.

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

The report was adopted.

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 1657, A bill for an act relating to local government; authorizing the city of Scandia to create a subordinate service district in order to provide broadband service.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Carlson, L., from the Committee on Ways and Means to which was referred:

H. F. No. 1733, A bill for an act relating to agriculture; making policy and technical changes to various agricultural provisions including provisions related to hemp, food handlers, eggs, milk, cheese, bioincentive programs, loan programs, and other agriculture provisions; amending Minnesota Statutes 2018, sections 18C.425, subdivision 6; 18C.70, subdivision 5; 18C.71, subdivision 4; 18C.80, subdivision 2; 18H.10; 18K.02, subdivision 3; 18K.06; 25.33, subdivision 8; 28A.04, subdivision 1; 28A.05; 28A.075; 28A.0752, subdivisions 1, 2; 28A.08, subdivision 3; 29.26; 32D.13, by adding a subdivision; 32D.20, subdivision 2; 32D.22; 34A.11, subdivision 7; 41A.15, subdivisions 2, 10, by adding a subdivision; 41A.16, subdivisions 1, 4; 41A.17, subdivisions 1, 2, 3; 41A.18, subdivisions 1, 2, 3; 41B.02, subdivision 10a; 41B.03, subdivision 3; 41B.0391, subdivision 1; 41B.047, subdivisions 1, 3; 41B.049, subdivision 5; 41B.055, subdivision 3; 41B.057, subdivision 3; repealing Minnesota Statutes 2018, section 41A.15, subdivisions 2a, 2b.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2018, section 18B.02, is amended to read:

**18B.02 PREEMPTION OF LOCAL LAW; DELEGATION.**

(a) Except as specifically provided in this chapter, the provisions of this chapter preempt ordinances by local governments that prohibit or regulate any matter relating to the registration, labeling, distribution, sale, handling, use, application, or disposal of pesticides. It is not the intent of this section to preempt local responsibilities for zoning, fire codes, or hazardous waste disposal.

(b) The commissioner may enter into agreements with cities of the first class and delegate the commissioner's duties under this chapter and rules adopted by the commissioner pursuant to section 18B.06 regarding the use, application, or disposal of pesticides. A fee established by a city of the first class to recover costs of enforcement

must be established by ordinance and must be fair, reasonable, and proportionate to actual costs incurred pursuant to the delegation agreement. An agreement entered into by the commissioner and a city of the first class pursuant to this paragraph must:

(1) specify minimum staff requirements and qualifications and other reasonable standards as determined by the commissioner;

(2) establish specific criteria the commissioner will use to determine if the city of the first class meets appropriate standards and is sufficient to replace enforcement by the commissioner; and

(3) provide for termination procedures if the commissioner determines that the city of the first class has failed to comply with the delegation agreement.

Sec. 2. Minnesota Statutes 2018, section 18H.10, is amended to read:

**18H.10 STORAGE OF NURSERY STOCK.**

(a) All nursery stock must be kept and displayed under conditions of temperature, light, and moisture sufficient to maintain the viability and vigor of the nursery stock.

(b) Packaged dormant nursery stock must be stored under conditions that retard growth, prevent etiolated growth, and protect its viability.

(c) Balled and burlapped nursery stock being held for sale to the public must be kept in a moisture-holding material approved by the commissioner and not toxic to plants. The moisture-holding material must adequately cover and protect the ball of earth and must be kept moist at all times. The commissioner may approve alternative nursery stock management practices to maintain the viability of balled and burlapped stock.

Sec. 3. Minnesota Statutes 2018, section 18K.02, subdivision 3, is amended to read:

Subd. 3. **Industrial hemp.** "Industrial hemp" means the plant *Cannabis sativa* L. and any part of the plant, whether growing or not, including the plant's seeds, and all the plant's derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis. Industrial hemp is not marijuana as defined in section 152.01, subdivision 9.

Sec. 4. Minnesota Statutes 2018, section 18K.06, is amended to read:

**18K.06 RULEMAKING.**

(a) The commissioner shall adopt rules governing the production, testing, and licensing of industrial hemp.

(b) Rules adopted under paragraph (a) must include, but not be limited to, provisions governing:

(1) the supervision and inspection of industrial hemp during its growth and harvest;

(2) the testing of industrial hemp to determine delta-9 tetrahydrocannabinol levels;

(3) the use of background check results required under section 18K.04 to approve or deny a license application; and

(4) any other provision or procedure necessary to carry out the purposes of this chapter.

(c) Rules issued under this section must be consistent with federal law regarding the production, distribution, and sale of industrial hemp.

(d) The commissioner may use the expedited rulemaking process in section 14.389 to adopt rules authorized under this section.

Sec. 5. Minnesota Statutes 2018, section 25.33, subdivision 8, is amended to read:

Subd. 8. **Drug.** "Drug" means (1) any article intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in animals other than humans; and (2) articles other than feed intended to affect the structure or any function of the animal body.

Sec. 6. Minnesota Statutes 2018, section 28A.04, subdivision 1, is amended to read:

Subdivision 1. **Application; date of issuance.** (a) No person shall engage in the business of manufacturing, processing, selling, handling, or storing food without having first obtained from the commissioner a license for doing such business. Applications for such license shall be made to the commissioner in such manner and time as required and upon such forms as provided by the commissioner and shall contain the name and address of the applicant, address or description of each place of business, and the nature of the business to be conducted at each place, and such other pertinent information as the commissioner may require.

(b) A retail or wholesale food handler license shall be issued for the period July 1 to June 30 following and shall be renewed thereafter by the licensee on or before July 1 each year, except that:

(1) licenses for all mobile food concession units and retail mobile units must be issued for the period April 1 to March 31, and must be renewed thereafter by the licensee on or before April 1 each year; and

(2) a license issued for a temporary food concession stand must have a license issuance and renewal date consistent with appropriate statutory provisions.

(c) A custom exempt food handler license shall be issued for the period July 1 to June 30 following and shall be renewed thereafter by the licensee on or before July 1 each year. The custom exempt food handler license is for businesses that only conduct custom exempt operations and mark all products as "Not For Sale." Food handlers that conduct retail exempt operations or other operations other than custom exempt processing or slaughter are not eligible for this license.

(d) A license for a food broker or for a food processor or manufacturer shall be issued for the period January 1 to December 31 following and shall be renewed thereafter by the licensee on or before January 1 of each year, except that a license for a wholesale food processor or manufacturer operating only at the state fair shall be issued for the period July 1 to June 30 following and shall be renewed thereafter by the licensee on or before July 1 of each year. A penalty for a late renewal shall be assessed in accordance with section 28A.08.

~~(e)~~ (e) A person applying for a new license up to 14 calendar days before the effective date of the new license period under paragraph (b) must be issued a license for the 14 days and the next license year as a single license and pay a single license fee as if the 14 days were part of the upcoming license period.

Sec. 7. Minnesota Statutes 2018, section 28A.05, is amended to read:

**28A.05 CLASSIFICATION.**

All persons required to have a license under section 28A.04 shall be classified into one of the following classes of food handlers, according to their principal mode of business.

(a) Retail food handlers are persons who sell or process and sell food directly to the ultimate consumer or who custom process meat or poultry. The term includes a person who sells food directly to the ultimate consumer through the use of vending machines, and a person who sells food for consumption on site or off site if the sale is conducted on the premises that are part of a grocery or convenience store operation.

(b) Wholesale food handlers are persons who sell to others for resale. A person who handles food in job lots (jobbers) is included in this classification.

(c) Wholesale food processors or manufacturers are persons who process or manufacture raw materials and other food ingredients into food items, or who reprocess food items, or who package food for sale to others for resale, or who commercially slaughter animals or poultry. Included herein are persons who can, extract, ferment, distill, pickle, bake, freeze, dry, smoke, grind, mix, stuff, pack, bottle, recondition, or otherwise treat or preserve food for sale to others for resale, cold storage warehouse operators as defined in section 28.01, subdivision 3, salvage food processors as defined in section 31.495, subdivision 1, and dairy plants as defined in section 32D.01, subdivision 6.

(d) Custom exempt food handlers are persons who only conduct custom exempt processing as defined in section 31A.02, subdivision 5. A retail or wholesale transaction may not take place in a facility operated by a person with a custom exempt food handler license.

~~(d)~~ (e) A food broker is a person who buys and sells food and who negotiates between a buyer and a seller of food, but who at no time has custody of the food being bought and sold.

Sec. 8. Minnesota Statutes 2018, section 28A.075, is amended to read:

**28A.075 DELEGATION TO LOCAL BOARD OF HEALTH.**

(a) At the request of a local board of health that licensed and inspected grocery and convenience stores on January 1, 1999, the commissioner must enter into agreements before January 1, 2001, with local boards of health to delegate to the appropriate local board of health the licensing and inspection duties of the commissioner pertaining to retail food handlers that are grocery or convenience stores. At the request of a local board of health that licensed and inspected part of any grocery or convenience store on January 1, 1999, the commissioner must enter into agreements before July 1, 2001, with local boards of health to delegate to the appropriate local board of health the licensing and inspection duties of the commissioner pertaining to retail food handlers that are grocery or convenience stores. At any time thereafter, the commissioner may enter into an agreement with a local board of health that licensed and inspected all or part of any grocery or convenience store on January 1, 1999, to delegate to the appropriate local board of health the licensing and inspection duties of the commissioner pertaining to retail food handlers ~~that are such as~~ grocery or convenience stores. ~~Retail grocery or convenience stores~~ retail food handlers inspected under the state meat inspection program of chapter 31A are exempt from delegation.

(b) A local board of health must adopt an ordinance consistent with the Minnesota Food Code, Minnesota Rules, chapter 4626, for all of its jurisdiction to regulate ~~grocery and convenience stores~~ retail food handlers and the ordinance (Food Code) must not be in conflict with standards set in law or rule.

(c) A fee to recover the estimated costs of enforcement of this chapter must be established by ordinance and must be fair, reasonable, and proportionate to the actual cost of the licensing and inspection services. The fee must only be maintained and used for the estimated costs of enforcing this chapter.

Sec. 9. Minnesota Statutes 2018, section 28A.0752, subdivision 1, is amended to read:

Subdivision 1. **Agreements to perform duties of commissioner.** (a) Agreements to delegate licensing and inspection duties pertaining to retail ~~grocery or convenience stores~~ food handlers shall include licensing, inspection, reporting, and enforcement duties authorized under sections 17.04, 29.21, 29.23, 29.235, 29.236, 29.237, 29.24, 29.25, 29.26, 29.27, and 30.49, appropriate sections of the Minnesota Food Law, chapters 31 and 34A, and applicable Minnesota food rules.

(b) Agreements are subject to subdivision 3.

(c) This subdivision does not affect agreements entered into under section 28A.075 or current cooperative agreements which base inspections and licensing responsibility on the firm's most predominant mode of business.

Sec. 10. Minnesota Statutes 2018, section 28A.0752, subdivision 2, is amended to read:

Subd. 2. **Approval of agreements.** An agreement to delegate licensing and inspection of retail food handlers ~~that are grocery or convenience stores~~ to a community health board must be approved by the commissioner and is subject to subdivision 3.

Sec. 11. Minnesota Statutes 2018, section 28A.08, subdivision 3, is amended to read:

Subd. 3. **Fees effective July 1, 2003.**

Type of food handler	Penalties		
	License Fee Effective July 1, 2003	Late Renewal	No License
1. Retail food handler <u>or custom exempt food handler</u>			
(a) Having gross sales of only prepackaged nonperishable food of less than \$15,000 for the immediately previous license or fiscal year and filing a statement with the commissioner	\$50	\$17	\$33
(b) Having under \$15,000 gross sales or service including food preparation or having \$15,000 to \$50,000 gross sales or service for the immediately previous license or fiscal year	\$77	\$25	\$51
(c) Having \$50,001 to \$250,000 gross sales or service for the immediately previous license or fiscal year	\$155	\$51	\$102
(d) Having \$250,001 to \$1,000,000 gross sales or service for the immediately previous license or fiscal year	\$276	\$91	\$182
(e) Having \$1,000,001 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year	\$799	\$264	\$527
(f) Having \$5,000,001 to \$10,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,162	\$383	\$767

(g) Having \$10,000,001 to \$15,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,376	\$454	\$908
(h) Having \$15,000,001 to \$20,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,607	\$530	\$1,061
(i) Having \$20,000,001 to \$25,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,847	\$610	\$1,219
(j) Having over \$25,000,001 gross sales or service for the immediately previous license or fiscal year	\$2,001	\$660	\$1,321
2. Wholesale food handler			
(a) Having gross sales or service of less than \$25,000 for the immediately previous license or fiscal year	\$57	\$19	\$38
(b) Having \$25,001 to \$250,000 gross sales or service for the immediately previous license or fiscal year	\$284	\$94	\$187
(c) Having \$250,001 to \$1,000,000 gross sales or service from a mobile unit without a separate food facility for the immediately previous license or fiscal year	\$444	\$147	\$293
(d) Having \$250,001 to \$1,000,000 gross sales or service not covered under paragraph (c) for the immediately previous license or fiscal year	\$590	\$195	\$389
(e) Having \$1,000,001 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year	\$769	\$254	\$508
(f) Having \$5,000,001 to \$10,000,000 gross sales or service for the immediately previous license or fiscal year	\$920	\$304	\$607
(g) Having \$10,000,001 to \$15,000,000 gross sales or service for the immediately previous license or fiscal year	\$990	\$327	\$653
(h) Having \$15,000,001 to \$20,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,156	\$381	\$763
(i) Having \$20,000,001 to \$25,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,329	\$439	\$877
(j) Having over \$25,000,001 or more gross sales or service for the immediately previous license or fiscal year	\$1,502	\$496	\$991
3. Food broker	\$150	\$50	\$99
4. Wholesale food processor or manufacturer			
(a) Having gross sales or service of less than \$125,000 for the immediately previous license or fiscal year	\$169	\$56	\$112
(b) Having \$125,001 to \$250,000 gross sales or service for the immediately previous license or fiscal year	\$392	\$129	\$259
(c) Having \$250,001 to \$1,000,000 gross sales or service for the immediately previous license or fiscal year	\$590	\$195	\$389
(d) Having \$1,000,001 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year	\$769	\$254	\$508
(e) Having \$5,000,001 to \$10,000,000 gross sales or service for the immediately previous license or fiscal year	\$920	\$304	\$607
(f) Having \$10,000,001 to \$15,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,377	\$454	\$909



(g) Having \$15,000,001 to \$20,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,608	\$531	\$1,061
(h) Having \$20,000,001 to \$25,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,849	\$610	\$1,220
(i) Having \$25,000,001 to \$50,000,000 gross sales or service for the immediately previous license or fiscal year	\$2,090	\$690	\$1,379
(j) Having \$50,000,001 to \$100,000,000 gross sales or service for the immediately previous license or fiscal year	\$2,330	\$769	\$1,538
(k) Having \$100,000,000 or more gross sales or service for the immediately previous license or fiscal year	\$2,571	\$848	\$1,697
5. Wholesale food processor of meat or poultry products under supervision of the U.S. Department of Agriculture			
(a) Having gross sales or service of less than \$125,000 for the immediately previous license or fiscal year	\$112	\$37	\$74
(b) Having \$125,001 to \$250,000 gross sales or service for the immediately previous license or fiscal year	\$214	\$71	\$141
(c) Having \$250,001 to \$1,000,000 gross sales or service for the immediately previous license or fiscal year	\$333	\$110	\$220
(d) Having \$1,000,001 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year	\$425	\$140	\$281
(e) Having \$5,000,001 to \$10,000,000 gross sales or service for the immediately previous license or fiscal year	\$521	\$172	\$344
(f) Having over \$10,000,001 gross sales or service for the immediately previous license or fiscal year	\$765	\$252	\$505
(g) Having \$15,000,001 to \$20,000,000 gross sales or service for the immediately previous license or fiscal year	\$893	\$295	\$589
(h) Having \$20,000,001 to \$25,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,027	\$339	\$678
(i) Having \$25,000,001 to \$50,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,161	\$383	\$766
(j) Having \$50,000,001 to \$100,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,295	\$427	\$855
(k) Having \$100,000,001 or more gross sales or service for the immediately previous license or fiscal year	\$1,428	\$471	\$942
6. Wholesale food processor or manufacturer operating only at the State Fair			
	\$125	\$40	\$50
7. Wholesale food manufacturer having the permission of the commissioner to use the name Minnesota Farmstead cheese			
	\$30	\$10	\$15
8. Wholesale food manufacturer processing less than 700,000 pounds per year of raw milk			
	\$30	\$10	\$15
9. A milk marketing organization without facilities for processing or manufacturing that purchases milk from milk producers for delivery to a licensed wholesale food processor or manufacturer			
	\$50	\$15	\$25

Sec. 12. Minnesota Statutes 2018, section 29.26, is amended to read:

**29.26 EGGS IN POSSESSION OF RETAILER.**

All eggs sold or offered for sale at retail must have been candled and graded and must be clearly labeled according to Minnesota consumer grades as established by rule under section 29.23. No eggs shall be sold or offered for sale as "ungraded," "unclassified," or by any other name that does not clearly designate the grade. All eggs in possession of the retailer, either in temporary storage or on display, must be held at a temperature not to exceed 45 degrees Fahrenheit (7 degrees Celsius).

~~Candled and graded~~ Grade AA eggs held 31 days past the coded pack date for Grade AA eggs, or Grade A eggs held 46 days past the coded pack date for Grade A eggs, lose their grades and must be removed from sale.

Sec. 13. Minnesota Statutes 2018, section 31.94, is amended to read:

**31.94 ORGANIC AGRICULTURE; COMMISSIONER DUTIES.**

(a) In order to promote opportunities for organic agriculture in Minnesota, the commissioner shall:

(1) survey producers and support services and organizations to determine information and research needs in the area of organic agriculture practices;

(2) work with the University of Minnesota and other research and education institutions to demonstrate the on-farm applicability of organic agriculture practices to conditions in this state;

(3) direct the programs of the department so as to work toward the promotion of organic agriculture in this state;

(4) inform agencies about state or federal programs that support organic agriculture practices; and

(5) work closely with producers, producer organizations, the University of Minnesota, and other appropriate agencies and organizations to identify opportunities and needs as well as ensure coordination and avoid duplication of state agency efforts regarding research, teaching, marketing, and extension work relating to organic agriculture.

(b) By November 15 of each year that ends in a zero or a five, the commissioner, in conjunction with the task force created in paragraph (c), shall report on the status of organic agriculture in Minnesota to the legislative policy and finance committees and divisions with jurisdiction over agriculture. The report must include available data on organic acreage and production, available data on the sales or market performance of organic products, and recommendations regarding programs, policies, and research efforts that will benefit Minnesota's organic agriculture sector.

(c) A Minnesota Organic Advisory Task Force shall advise the commissioner and the University of Minnesota on policies and programs that will improve organic agriculture in Minnesota, including how available resources can most effectively be used for outreach, education, research, and technical assistance that meet the needs of the organic agriculture sector. The task force must consist of the following residents of the state:

(1) three organic farmers;

(2) one wholesaler or distributor of organic products;

(3) one representative of organic certification agencies;

- (4) two organic processors;
- (5) one representative from University of Minnesota Extension;
- (6) one University of Minnesota faculty member;
- (7) one representative from a nonprofit organization representing producers;
- (8) two public members;
- (9) one representative from the United States Department of Agriculture;
- (10) one retailer of organic products; and
- (11) one organic consumer representative.

The commissioner, in consultation with the director of the Minnesota Agricultural Experiment Station; the dean and director of University of Minnesota Extension and the dean of the College of Food, Agricultural and Natural Resource Sciences, shall appoint members to serve three-year terms.

Compensation and removal of members are governed by section 15.059, subdivision 6. The task force must meet at least twice each year and expires on June 30, ~~2019~~ 2024.

(d) For the purposes of expanding, improving, and developing production and marketing of the organic products of Minnesota agriculture, the commissioner may receive funds from state and federal sources and spend them, including through grants or contracts, to assist producers and processors to achieve certification, to conduct education or marketing activities, to enter into research and development partnerships, or to address production or marketing obstacles to the growth and well-being of the industry.

(e) The commissioner may facilitate the registration of state organic production and handling operations including those exempt from organic certification according to Code of Federal Regulations, title 7, section 205.101, and accredited certification agencies operating within the state.

Sec. 14. Minnesota Statutes 2018, section 32D.13, is amended by adding a subdivision to read:

**Subd. 11. Milk storage requirement.** (a) A milk hauler must not pick up milk from a farm that has a bulk tank that is not in proper working order.

(b) Milk must not be stored for longer than 72 hours at a farm before the milk is picked up by a milk hauler for transport to a plant. The commissioner or an agent of the commissioner may waive the 72-hour time limit in the case of hardship, emergency, or natural disaster.

Sec. 15. Minnesota Statutes 2018, section 32D.20, subdivision 2, is amended to read:

Subd. 2. **Labels.** (a) Pasteurized milk or fluid milk products offered or exposed for sale or held in possession for sale shall be labeled or otherwise designated as pasteurized milk or pasteurized fluid milk products, and in the case of fluid milk products the label shall also state the name of the specific product.

(b) Milk and dairy products must be labeled (1) with the plant number where the product was produced; or (2) if produced in a state where official plant numbers are not assigned, with the name and address of the manufacturer and the address of the plant where it was manufactured or distributor.

Sec. 16. Minnesota Statutes 2018, section 32D.22, is amended to read:

**32D.22 MANUFACTURE OF CHEESE; REQUIREMENTS IN PROCESS.**

(a) No person, firm, or corporation shall manufacture, transport, sell, offer, or expose for sale or have in possession with intent to sell at retail to a consumer any cheese that has not been (1) manufactured from milk or milk products that have been pasteurized; (2) subjected to a heat treatment equivalent to pasteurization during the process of manufacturing or processing; or (3) subjected to an aging process where it has been kept for at least 60 days after manufacture at a temperature no lower than 35 degrees Fahrenheit.

(b) Any cheese described in paragraph (a), clause (3), that has been made from unpasteurized milk must be labeled with a statement that the cheese has been aged for 60 days or more.

Sec. 17. Minnesota Statutes 2018, section 34A.11, subdivision 7, is amended to read:

Subd. 7. **Emergency powers.** After an emergency declaration issued under chapter 12, chapter 35, or the federal Stafford Act, the commissioner may restrict the movement of food if the commissioner has probable cause to believe that the movement of food may: threaten the agricultural economy; transport a dangerous, infectious, or communicable disease; or threaten the health of animals. The commissioner may provide for the issuance of permits to allow for the continued movement of food upon meeting the ~~disease~~ control measures established by the commissioner.

Sec. 18. Minnesota Statutes 2018, section 35.155, subdivision 11, is amended to read:

Subd. 11. **Mandatory surveillance for chronic wasting disease; herd depopulation.** (a) An inventory for each farmed Cervidae herd must be verified by an accredited veterinarian and filed with the Board of Animal Health every 12 months.

(b) Movement of farmed Cervidae from any premises to another location must be reported to the Board of Animal Health within 14 days of the movement on forms approved by the Board of Animal Health.

(c) All animals from farmed Cervidae herds that are over 16 months of age that die or are slaughtered must be tested for chronic wasting disease.

(d) If an animal in a farmed Cervidae herd tests positive for chronic wasting disease, the entire herd must be euthanized and disposed of at the owner's expense, unless state and federal funds are available for this purpose. The herd must be euthanized and disposed in a manner approved by the board. The board shall consult with the commissioner of natural resources in approving euthanization and disposal methods.

Sec. 19. Minnesota Statutes 2018, section 41A.15, subdivision 2, is amended to read:

Subd. 2. **Advanced biofuel.** ~~"Advanced biofuel" has the meaning given in section 239.051, subdivision 1a.~~ means a renewable fuel, other than ethanol derived from corn starch, that has lifecycle greenhouse gas emissions that are at least 50 percent less than baseline lifecycle greenhouse gas emissions.

Sec. 20. Minnesota Statutes 2018, section 41A.15, is amended by adding a subdivision to read:

Subd. 2e. **Biomass.** "Biomass" means any organic matter that is available on a renewable or recurring basis, including agricultural crops and trees, wood and wood waste and residues, plants including aquatic plants, grasses, residues, fibers, animal waste, and the organic portion of solid wastes.

Sec. 21. Minnesota Statutes 2018, section 41A.15, subdivision 10, is amended to read:

Subd. 10. **Renewable chemical.** "Renewable chemical" means a chemical ~~with biobased content, polymer, monomer, plastic, or composite material that is entirely produced from biomass.~~

Sec. 22. Minnesota Statutes 2018, section 41A.16, subdivision 1, is amended to read:

Subdivision 1. **Eligibility.** (a) A facility eligible for payment under this section must source from Minnesota at least 80 percent ~~raw materials from Minnesota.~~ of the biomass used to produce an advanced biofuel, except that, if a facility is sited 50 miles or less from the state border, raw materials biomass used to produce an advanced biofuel may be sourced from outside of Minnesota, but only if at least 80 percent of the biomass is sourced from within a 100-mile radius of the facility or from within Minnesota. ~~Raw materials must be from agricultural or forestry sources or from solid waste.~~ The facility must be located in Minnesota, must begin production at a specific location by June 30, 2025, and must not begin operating above 23,750 MMbtu of quarterly advanced biofuel production before July 1, 2015. Eligible facilities include existing companies and facilities that are adding advanced biofuel production capacity, or retrofitting existing capacity, as well as new companies and facilities. Production of conventional corn ethanol and conventional biodiesel is not eligible. Eligible advanced biofuel facilities must produce at least ~~23,750~~ 1,500 MMbtu of advanced biofuel quarterly.

(b) No payments shall be made for advanced biofuel production that occurs after June 30, 2035, for those eligible biofuel producers under paragraph (a).

(c) An eligible producer of advanced biofuel shall not transfer the producer's eligibility for payments under this section to an advanced biofuel facility at a different location.

(d) A producer that ceases production for any reason is ineligible to receive payments under this section until the producer resumes production.

(e) Renewable chemical production for which payment has been received under section 41A.17, and biomass thermal production for which payment has been received under section 41A.18, are not eligible for payment under this section.

(f) Biobutanol is eligible under this section.

Sec. 23. Minnesota Statutes 2018, section 41A.16, subdivision 2, is amended to read:

Subd. 2. **Payment amounts; limits.** (a) The commissioner shall make payments to eligible producers of advanced biofuel. The amount of the payment for each eligible producer's annual production is \$2.1053 per MMbtu for advanced biofuel production from cellulosic biomass, and \$1.053 per MMbtu for advanced biofuel production from sugar ~~or~~ starch, oil, or animal fat at a specific location for ten years after the start of production.

(b) Total payments under this section to an eligible biofuel producer in a fiscal year may not exceed the amount necessary for 2,850,000 MMbtu of biofuel production. Total payments under this section to all eligible biofuel producers in a fiscal year may not exceed the amount necessary for 17,100,000 MMbtu of biofuel production. The commissioner shall award payments on a first-come, first-served basis within the limits of available funding.

(c) For purposes of this section, an entity that holds a controlling interest in more than one advanced biofuel facility is considered a single eligible producer.

Sec. 24. Minnesota Statutes 2018, section 41A.16, subdivision 4, is amended to read:

Subd. 4. **Cellulosic forestry biomass requirements.** All forestry-derived cellulosic biomass used for advanced biofuel production must be produced using Minnesota ~~state forest~~ biomass harvesting guidelines or the equivalent. All cellulosic biomass from brushlands must be produced using Minnesota brushland ~~harvesting~~ biomass ~~harvest~~ harvesting guidelines or the equivalent. Forestry-derived cellulosic biomass that comes from land parcels greater than 160 acres must be certified by the Forest Stewardship Council, the Sustainable Forestry Initiative, or the American Tree Farm System. Uncertified land from parcels of 160 acres or less, tribal lands, and federal land ~~must be harvested by a logger who has completed training for biomass harvesting from the Minnesota logger education program or the equivalent and have a forest stewardship management plan, as defined in section 290C.02, subdivision 7, or the equivalent, and be harvested by a logger who has completed training for biomass harvesting from the Minnesota logger education program or the equivalent.~~

Sec. 25. Minnesota Statutes 2018, section 41A.17, subdivision 1, is amended to read:

Subdivision 1. **Eligibility.** (a) A facility eligible for payment under this ~~program~~ section must source from Minnesota at least 80 percent ~~biobased content from Minnesota.~~ of the biomass used to produce a renewable chemical, except that, if a facility is sited 50 miles or less from the state border, biobased content must biomass used to produce a renewable chemical may be sourced from outside of Minnesota, but only if at least 80 percent of the biomass is sourced from within a 100-mile radius of the facility or from within Minnesota. ~~Biobased content must be from agricultural or forestry sources or from solid waste.~~ The facility must be located in Minnesota, must begin production at a specific location by June 30, 2025, and must not begin production of ~~750,000~~ 250,000 pounds of chemicals quarterly before January 1, 2015. Eligible facilities include existing companies and facilities that are adding production capacity, or retrofitting existing capacity, as well as new companies and facilities. Eligible renewable chemical facilities must produce at least ~~750,000~~ 250,000 pounds of renewable chemicals quarterly. Renewable chemicals produced through processes that are fully commercial before January 1, 2000, are not eligible.

(b) No payments shall be made for renewable chemical production that occurs after June 30, 2035, for those eligible renewable chemical producers under paragraph (a).

(c) An eligible producer of renewable chemicals shall not transfer the producer's eligibility for payments under this section to a renewable chemical facility at a different location.

(d) A producer that ceases production for any reason is ineligible to receive payments under this section until the producer resumes production.

(e) Advanced biofuel production for which payment has been received under section 41A.16, and biomass thermal production for which payment has been received under section 41A.18, are not eligible for payment under this section.

Sec. 26. Minnesota Statutes 2018, section 41A.17, subdivision 2, is amended to read:

Subd. 2. **Payment amounts; bonus; limits.** (a) The commissioner shall make payments to eligible producers of renewable chemicals located in the state. The amount of the payment for each producer's annual production is \$0.03 per pound of sugar-derived renewable chemical, \$0.03 per pound of cellulosic sugar, starch, oil, or animal fat, and \$0.06 per pound of cellulosic-derived renewable chemical produced at a specific location for ten years after the start of production.

(b) An eligible facility producing renewable chemicals using agricultural cellulosic biomass is eligible for a 20 percent bonus payment for each pound produced from agricultural biomass that is derived from perennial crop or cover crop biomass.

(c) Total payments under this section to an eligible renewable chemical producer in a fiscal year may not exceed the amount necessary for 99,999,999 pounds of renewable chemical production. Total payments under this section to all eligible renewable chemical producers in a fiscal year may not exceed the amount necessary for 599,999,999 pounds of renewable chemical production. The commissioner shall award payments on a first-come, first-served basis within the limits of available funding.

(d) An eligible facility may blend renewable chemicals with other chemicals that are not renewable chemicals, but only the percentage attributable to renewable chemicals in the blended product is eligible to receive payment.

~~(d)~~ (e) For purposes of this section, an entity that holds a controlling interest in more than one renewable chemical production facility is considered a single eligible producer.

Sec. 27. Minnesota Statutes 2018, section 41A.17, subdivision 3, is amended to read:

Subd. 3. **Cellulosic forestry biomass requirements.** All forestry-derived cellulosic biomass used for renewable chemical production must be produced using Minnesota ~~state forest~~ biomass harvesting guidelines or the equivalent. All cellulosic biomass from brushlands must be produced using Minnesota brushland ~~harvesting~~ biomass ~~harvest~~ harvesting guidelines or the equivalent. Forestry-derived cellulosic biomass that comes from land parcels greater than 160 acres must be certified by the Forest Stewardship Council, the Sustainable Forestry Initiative, or the American Tree Farm System. Uncertified land from parcels of 160 acres or less, tribal lands, and federal land ~~must be harvested by a logger who has completed training for biomass harvesting from the Minnesota logger education program or the equivalent and have a forest stewardship management plan, as defined in section 290C.02, subdivision 7, or the equivalent, and be harvested by a logger who has completed training for biomass harvesting from the Minnesota logger education program or the equivalent.~~

Sec. 28. Minnesota Statutes 2018, section 41A.18, subdivision 1, is amended to read:

Subdivision 1. **Eligibility.** (a) A facility eligible for payment under this section must source from Minnesota at least 80 percent ~~raw materials from Minnesota.~~ of the biomass used for biomass thermal production, except that, if a facility is sited 50 miles or less from the state border, raw materials should biomass used for biomass thermal production may be sourced from outside of Minnesota, but only if at least 80 percent of the biomass is sourced from within a 100-mile radius of the facility, or from within Minnesota. ~~Raw materials~~ Biomass must be from agricultural or forestry sources. The facility must be located in Minnesota, must have begun production at a specific location by June 30, 2025, and must not begin before July 1, 2015. Eligible facilities include existing companies and facilities that are adding production capacity, or retrofitting existing capacity, as well as new companies and facilities. Eligible biomass thermal production facilities must produce at least 250 MMBtu of biomass thermal quarterly.

(b) No payments shall be made for biomass thermal production that occurs after June 30, 2035, for those eligible biomass thermal producers under paragraph (a).

(c) An eligible producer of biomass thermal production shall not transfer the producer's eligibility for payments under this section to a biomass thermal production facility at a different location.

(d) A producer that ceases production for any reason is ineligible to receive payments under this section until the producer resumes production.

(e) Biofuel production for which payment has been received under section 41A.16, and renewable chemical production for which payment has been received under section 41A.17, are not eligible for payment under this section.

Sec. 29. Minnesota Statutes 2018, section 41A.18, subdivision 2, is amended to read:

Subd. 2. **Payment amounts; bonus; limits; blending.** (a) The commissioner shall make payments to eligible producers of biomass thermal located in the state. The amount of the payment for each producer's annual production is \$5.00 per MMBtu of biomass thermal production produced at a specific location for ten years after the start of production.

(b) An eligible facility producing biomass thermal using agricultural cellulosic biomass is eligible for a 20 percent bonus payment for each MMBtu produced from agricultural biomass that is derived from perennial crop or cover crop biomass.

(c) Total payments under this section to an eligible thermal producer in a fiscal year may not exceed the amount necessary for 30,000 MMBtu of thermal production. Total payments under this section to all eligible thermal producers in a fiscal year may not exceed the amount necessary for 150,000 MMBtu of total thermal production. The commissioner shall award payments on a first-come, first-served basis within the limits of available funding.

(d) An eligible facility may blend a cellulosic feedstock with other fuels in the biomass thermal production facility, but only the percentage attributable to cellulosic material biomass meeting the cellulosic forestry biomass requirements or agricultural cellulosic biomass sourcing plan is eligible to receive payment.

(e) When a facility is eligible due to adding production capacity or retrofitting existing capacity, the entire amount of biomass meeting the cellulosic forestry biomass requirements or agricultural cellulosic biomass sourcing plan is assumed to have been used for the biomass thermal production from the added or retrofitted production capacity.

(f) For purposes of this section, an entity that holds a controlling interest in more than one biomass thermal production facility is considered a single eligible producer.

Sec. 30. Minnesota Statutes 2018, section 41A.18, subdivision 3, is amended to read:

Subd. 3. **Cellulosic forestry biomass requirements.** All forestry-derived cellulosic biomass used for biomass thermal production must be produced using Minnesota ~~state forest~~ biomass harvesting guidelines or the equivalent. All cellulosic biomass from ~~brushland brushlands~~ must be produced using Minnesota brushland ~~harvesting~~ biomass harvesting guidelines or the equivalent. Forestry-derived cellulosic biomass that comes from land parcels greater than 160 acres must be certified by the Forest Stewardship Council, the Sustainable Forestry Initiative, or the American Tree Farm System. Uncertified land from parcels of 160 acres or less, tribal lands, and federal land must be harvested by a logger who has completed training for biomass harvesting from the Minnesota logger education program or the equivalent and have a forest stewardship management plan, as defined in section 290C.02, subdivision 7, or the equivalent and be harvested by a logger who has completed training for biomass harvesting from the Minnesota logger education program or the equivalent.

Sec. 31. Minnesota Statutes 2018, section 41B.02, subdivision 10a, is amended to read:

Subd. 10a. **Livestock expansion.** "Livestock expansion" means the purchase of a livestock farm or improvements to a livestock operation, including the purchase and construction or installation of improvements to land, buildings, and other permanent structures, including equipment incorporated in or permanently affixed to the land, buildings, or structures, which are useful for and intended to be used for the purpose of raising livestock.



Sec. 32. Minnesota Statutes 2018, section 41B.03, subdivision 3, is amended to read:

Subd. 3. **Eligibility for beginning farmer loans.** (a) In addition to the requirements under subdivision 1, a prospective borrower for a beginning farm loan in which the authority holds an interest, must:

(1) have sufficient education, training, or experience in the type of farming for which the loan is desired;

(2) have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than \$800,000 in 2017 and an amount in subsequent years which is adjusted for inflation by multiplying that amount by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index;

(3) demonstrate a need for the loan;

(4) demonstrate an ability to repay the loan;

(5) certify that the agricultural land to be purchased will be used by the borrower for agricultural purposes;

(6) certify that farming will be the principal occupation of the borrower;

(7) agree to participate in a farm management program approved by the commissioner of agriculture for at least the first three years of the loan, if an approved program is available within 45 miles from the borrower's residence. The ~~commissioner~~ authority may waive this requirement for any of the programs administered by the authority if the participant requests a waiver and has ~~either~~ a four-year degree in an agricultural program or related field, reasonable agricultural job-related experience, or certification as an adult farm management instructor; and

(8) agree to file an approved soil and water conservation plan with the Natural Resources Conservation Service office in the county where the land is located.

(b) If a borrower fails to participate under paragraph (a), clause (7), the borrower is subject to penalty as determined by the authority.

Sec. 33. Minnesota Statutes 2018, section 41B.0391, subdivision 1, is amended to read:

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

(b) "Agricultural assets" means agricultural land, livestock, facilities, buildings, and machinery used for farming in Minnesota.

(c) "Beginning farmer" means an individual who:

(1) is a resident of Minnesota;

(2) is seeking entry, or has entered within the last ten years, into farming;

(3) intends to farm land located within the state borders of Minnesota;

(4) is not and whose spouse is not a family member of the owner of the agricultural assets from whom the beginning farmer is seeking to purchase or rent agricultural assets;

(5) is not and whose spouse is not a family member of a partner, member, shareholder, or trustee of the owner of agricultural assets from whom the beginning farmer is seeking to purchase or rent agricultural assets; and

(6) meets the following eligibility requirements as determined by the authority:

(i) has a net worth that does not exceed the limit provided under section 41B.03, subdivision 3, paragraph (a), clause (2);

(ii) provides the majority of the day-to-day physical labor and management of the farm;

(iii) has, by the judgment of the authority, adequate farming experience or demonstrates knowledge in the type of farming for which the beginning farmer seeks assistance from the authority;

(iv) demonstrates to the authority a profit potential by submitting projected earnings statements;

(v) asserts to the satisfaction of the authority that farming will be a significant source of income for the beginning farmer;

(vi) ~~participates in~~ is enrolled in or has completed within ten years of their first year of farming a financial management program approved by the authority or the commissioner of agriculture;

(vii) agrees to notify the authority if the beginning farmer no longer meets the eligibility requirements within the three-year certification period, in which case the beginning farmer is no longer eligible for credits under this section; and

(viii) has other qualifications as specified by the authority.

The commissioner may waive the requirement in item (vi) if the participant requests a waiver and has a four-year degree in an agricultural program or related field, reasonable agricultural job-related experience, or certification as an adult farm management instructor.

(d) "Family member" means a family member within the meaning of the Internal Revenue Code, section 267(c)(4).

(e) "Farm product" means plants and animals useful to humans and includes, but is not limited to, forage and sod crops, oilseeds, grain and feed crops, dairy and dairy products, poultry and poultry products, livestock, fruits, and vegetables.

(f) "Farming" means the active use, management, and operation of real and personal property for the production of a farm product.

(g) "Owner of agricultural assets" means an individual, trust, or pass-through entity that is the owner in fee of agricultural land or has legal title to any other agricultural asset. Owner of agricultural assets does not mean an equipment dealer, livestock dealer defined in section 17A.03, subdivision 7, or comparable entity that is engaged in the business of selling agricultural assets for profit and that is not engaged in farming as its primary business activity. An owner of agricultural assets approved and certified by the authority under subdivision 4 must notify the authority if the owner no longer meets the definition in this paragraph within the three year certification period and is then no longer eligible for credits under this section.

(h) "Resident" has the meaning given in section 290.01, subdivision 7.

(i) "Share rent agreement" means a rental agreement in which the principal consideration given to the owner of agricultural assets is a predetermined portion of the production of farm products produced from the rented agricultural assets and which provides for sharing production costs or risk of loss, or both.

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2018.

Sec. 34. Minnesota Statutes 2018, section 41B.047, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** The authority shall establish and implement a disaster recovery loan program to help farmers:

(1) clean up, repair, or replace farm structures and septic and water systems, as well as replace seed, other crop inputs, feed, and livestock, ~~when damaged by high winds, hail, tornado, or flood;~~

(2) purchase watering systems, irrigation systems, and other drought mitigation systems and practices when drought is the cause of the purchase;

(3) restore farmland; ~~or~~

(4) replace flocks, make building improvements, or cover the loss of revenue when the replacement, improvements, or loss of revenue is due to the confirmed presence of the highly pathogenic avian influenza in a commercial poultry or game flock located in Minnesota; or

(5) replace livestock, make building improvements, or cover the loss of revenue when the replacement, improvements, or loss of revenue is due to the confirmed presence of a highly contagious bacterial or virological disease in a livestock operation, including but not limited to African swine fever, located in Minnesota.

Sec. 35. Minnesota Statutes 2018, section 41B.047, subdivision 3, is amended to read:

Subd. 3. **Eligibility.** To be eligible for this program, a borrower must:

(1) meet the requirements of section 41B.03, subdivision 1;

(2) certify that the damage or loss was (i) sustained within a county that was the subject of a state or federal disaster declaration ~~or~~; (ii) due to the confirmed presence of the highly pathogenic avian influenza in a commercial poultry or game flock located in Minnesota; or (iii) due to a market disaster or emergency as determined by the authority;

(3) demonstrate an ability to repay the loan; and

(4) have received at least 50 percent of average annual gross income from farming for the past three years.

Sec. 36. Minnesota Statutes 2018, section 41B.049, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** The authority shall establish and implement a methane digester loan program to help finance the purchase of necessary equipment and the construction or improvement of a system that ~~will utilize~~ utilizes manure to produce electricity.

Sec. 37. Minnesota Statutes 2018, section 41B.049, subdivision 5, is amended to read:

Subd. 5. **Loan criteria.** (a) To be eligible, a borrower must be a resident of Minnesota or an entity that is not prohibited from owning agricultural land under section 500.24.

(b) State participation in a participation loan is limited to 45 percent of the principal amount of the loan. A direct loan or loan participation may not exceed \$250,000.

(c) Loans under this program may be used as a match for federal loans or grants.

(d) A borrower who has previously received a loan under subdivision 1 ~~is prohibited from receiving~~ may receive another methane digester loan under subdivision 1 if the previous loan has been repaid in full.

Sec. 38. Minnesota Statutes 2018, section 41B.055, subdivision 3, is amended to read:

Subd. 3. **Loans.** (a) The authority may participate in a livestock equipment loan equal to 90 percent of the purchased equipment value with an eligible lender to a farmer who is eligible under subdivision 2. Participation is limited to 45 percent of the principal amount of the loan or ~~\$40,000~~ \$100,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may differ from the interest rates and repayment terms of the lender's retained portion of the loan, but the authority's interest rate must not exceed three percent. The authority may review the interest annually and make adjustments as necessary.

(b) Standards for loan amortization must be set by the Rural Finance Authority and must not exceed ten years.

(c) Security for a livestock equipment loan must be a personal note executed by the borrower and whatever other security is required by the eligible lender or the authority.

(d) Refinancing of existing debt is not an eligible purpose.

(e) The authority may impose a reasonable, nonrefundable application fee for a livestock equipment loan. The authority may review the fee annually and make adjustments as necessary. The initial application fee is \$50. Application fees received by the authority must be deposited in the Rural Finance Authority administrative account established in section 41B.03.

(f) Loans under this program must be made using money in the revolving loan account established in section 41B.06.

Sec. 39. Minnesota Statutes 2018, section 41B.057, subdivision 3, is amended to read:

Subd. 3. **Loan participation.** The authority may participate in a farm opportunity loan with an eligible lender, as defined in section 41B.02, subdivision 8, to a farmer or a group of farmers on joint projects who are eligible under subdivision 2, paragraph (c), and who are actively engaged in farming. Participation is limited to 45 percent of the principal amount of the loan or ~~\$45,000~~ \$100,000 per individual, whichever is less. For loans to a group made up of four or more individuals, participation is limited to 45 percent of the principal amount of the loan or ~~\$180,000~~ \$250,000, whichever is less. The interest rate on the loans must not exceed six percent.

Sec. 40. Minnesota Statutes 2018, section 116.0714, is amended to read:

**116.0714 NEW OPEN-AIR SWINE BASINS.**

(a) The commissioner of the Pollution Control Agency or a county board shall not approve any permits for the construction of new open-air swine basins, except that existing facilities may use one basin of less than 1,000,000 gallons as part of a permitted waste treatment program for resolving pollution problems or to allow conversion of an existing basin of less than 1,000,000 gallons to a different animal type, provided all standards are met. This section expires June 30, 2022.

(b) This section does not apply to basins used solely for wastewater from truck-washing facilities.

Sec. 41. **REPEALER.**

Minnesota Statutes 2018, section 41A.15, subdivisions 2a and 2b, are repealed."

Delete the title and insert:

"A bill for an act relating to agriculture; making policy and technical changes to various agricultural provisions including provisions related to hemp, food handlers, eggs, milk, cheese, bioincentive programs, loan programs, farmed Cervidae, pesticides, nursery stock, open-air swine basins, and other agriculture provisions; amending Minnesota Statutes 2018, sections 18B.02; 18H.10; 18K.02, subdivision 3; 18K.06; 25.33, subdivision 8; 28A.04, subdivision 1; 28A.05; 28A.075; 28A.0752, subdivisions 1, 2; 28A.08, subdivision 3; 29.26; 31.94; 32D.13, by adding a subdivision; 32D.20, subdivision 2; 32D.22; 34A.11, subdivision 7; 35.155, subdivision 11; 41A.15, subdivisions 2, 10, by adding a subdivision; 41A.16, subdivisions 1, 2, 4; 41A.17, subdivisions 1, 2, 3; 41A.18, subdivisions 1, 2, 3; 41B.02, subdivision 10a; 41B.03, subdivision 3; 41B.0391, subdivision 1; 41B.047, subdivisions 1, 3; 41B.049, subdivisions 1, 5; 41B.055, subdivision 3; 41B.057, subdivision 3; 116.0714; repealing Minnesota Statutes 2018, section 41A.15, subdivisions 2a, 2b."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Lesch from the Judiciary Finance and Civil Law Division to which was referred:

H. F. No. 1957, A bill for an act relating to data practices; modifying certain higher education data provisions; amending Minnesota Statutes 2018, sections 13.322, subdivision 3; 136A.64, subdivision 5; 136A.672, by adding a subdivision; 136A.8295, by adding a subdivision.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Carlson, L., from the Committee on Ways and Means to which was referred:

H. F. No. 1974, A bill for an act relating to state government; making technical changes by updating and deleting outdated budget-related language; amending Minnesota Statutes 2018, sections 15.0596; 15.191, subdivisions 1, 3; 16A.065; 16A.13, subdivision 2a; 16A.134; 16A.15, subdivision 3; 16A.17, subdivision 5; 16A.272, subdivision 3; 16A.40; 16A.42, subdivisions 2, 4, by adding a subdivision; 16A.56; 16A.671, subdivision 1; 16B.37, subdivision 4; 16D.03, subdivision 2; 16D.09, subdivision 1; 21.116; 43A.30, subdivision 2; 43A.49; 49.24, subdivisions 13, 16; 69.031, subdivision 1; 80A.65, subdivision 9; 84A.23, subdivision 4; 84A.33, subdivision 4; 84A.40; 84A.52; 88.12, subdivision 1; 94.522; 94.53; 116J.64, subdivision 7; 126C.55, subdivisions 2, 9; 126C.68, subdivision 3; 126C.69, subdivision 14; 127A.34, subdivision 1; 127A.40; 136F.46, subdivision 1; 136F.70, subdivision 3; 162.08, subdivisions 10, 11; 162.14, subdivisions 4, 5; 162.18, subdivision 4; 162.181, subdivision 4; 163.051, subdivision 3; 176.181, subdivision 2; 176.581; 176.591, subdivision 3; 192.55; 196.052; 198.16; 237.30; 241.13, subdivision 1; 244.19, subdivision 7; 256B.20; 260B.331, subdivision 2; 260C.331, subdivision 2; 273.121, subdivision 1; 287.08; 297I.10; 299C.21; 348.05; 352.04, subdivision 9; 352.05; 352.115, subdivision 12; 352.12, subdivision 13; 353.05; 353.27, subdivision 7; 354.42, subdivision 7; 354.52, subdivisions 4, 4b; 401.15, subdivision 1; 446A.086, subdivision 4; 446A.16, subdivision 1; 462A.18, subdivision 1; 475A.04, subdivision 1; 525.841.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2018, section 15.0596, is amended to read:

**15.0596 ADDITIONAL COMPENSATION FROM CONTINGENT FUND PROHIBITED.**

In all cases where the compensation of an officer of the state is fixed by law at a specified sum, it shall be unlawful for any such officer or employee to receive additional compensation for the performance of official services out of the contingent fund of the officer or the department, and it shall be unlawful for the head of any department of the state government to direct the payment of such additional compensation out of the contingent fund; and the commissioner of management and budget is hereby prohibited from issuing a ~~warrant~~ payment upon such contingent fund in payment of such additional compensation.

Every person offending against the provisions of this section shall be guilty of a misdemeanor.

Sec. 2. Minnesota Statutes 2018, section 15.191, subdivision 1, is amended to read:

Subdivision 1. **Emergency disbursements.** Imprest cash funds for the purpose of making minor disbursements, providing for change, and providing employees with travel advances or a portion or all of their payroll ~~warrant~~ where the ~~warrant~~ payment has not been received through the payroll system, may be established by state departments or agencies from existing appropriations in the manner prescribed by this section.

Sec. 3. Minnesota Statutes 2018, section 15.191, subdivision 3, is amended to read:

Subd. 3. **Warrant Payment against designated appropriation.** Imprest cash funds established under this section shall be created by ~~warrant drawn~~ payment issued against the appropriation designated by the commissioner of management and budget.

Sec. 4. Minnesota Statutes 2018, section 16A.065, is amended to read:

**16A.065 PREPAY SOFTWARE, SUBSCRIPTIONS, UNITED STATES DOCUMENTS.**

Notwithstanding section 16A.41, subdivision 1, the commissioner may allow an agency to make advance deposits or payments for software or software maintenance services for state-owned or leased electronic data processing equipment, for information technology hosting services, for sole source maintenance agreements where it is not cost-effective to pay in arrears, for exhibit booth space or boat slip rental when required by the renter to guarantee the availability of space, for registration fees where advance payment is required or advance payment discount is provided, ~~and~~ for newspaper, magazine, and other subscription fees, and other costs where advance payment discount is provided or are customarily paid for in advance. The commissioner may also allow advance deposits by any department with the Library of Congress and federal Supervisor of Documents for items to be purchased from those federal agencies.

Sec. 5. Minnesota Statutes 2018, section 16A.13, subdivision 2a, is amended to read:

Subd. 2a. **Procedure.** The commissioner shall see that the deduction for the withheld tax is made from an employee's pay on the payroll abstract. The commissioner shall approve one ~~warrant payable~~ payment to the commissioner for the total amount deducted on the abstract. Deductions from the pay of an employee paid direct by an agency shall be made by the employee's payroll authority. A later deduction must correct an error made on an earlier deduction. The paying authority shall see that a ~~warrant or check~~ payment for the deductions is promptly sent to the commissioner. The commissioner shall deposit the amount of the ~~warrant or check~~ payment to the credit of the proper federal authority or other person authorized by federal law to receive it.

Sec. 6. Minnesota Statutes 2018, section 16A.134, is amended to read:

**16A.134 CHARITABLE ORGANIZATIONS PAYROLL DEDUCTIONS.**

An employee's contribution to a registered combined charitable organization defined in section 43A.50 may be deducted from the employee's pay. On the employee's written request, the commissioner shall deduct a requested amount from the pay of the employee for each pay period. The commissioner shall issue a ~~warrant~~ payment in that amount to the specified organization.

Sec. 7. Minnesota Statutes 2018, section 16A.15, subdivision 3, is amended to read:

Subd. 3. **Allotment and encumbrance.** (a) A payment may not be made without prior obligation. An obligation may not be incurred against any fund, allotment, or appropriation unless the commissioner has certified a sufficient unencumbered balance or the accounting system shows sufficient allotment or encumbrance balance in the fund, allotment, or appropriation to meet it. The commissioner shall determine when the accounting system may be used to incur obligations without the commissioner's certification of a sufficient unencumbered balance. An expenditure or obligation authorized or incurred in violation of this chapter is invalid and ineligible for payment until made valid. A payment made in violation of this chapter is illegal. An employee authorizing or making the payment, or taking part in it, and a person receiving any part of the payment, are jointly and severally liable to the state for the amount paid or received. If an employee knowingly incurs an obligation or authorizes or makes an expenditure in violation of this chapter or takes part in the violation, the violation is just cause for the employee's removal by the appointing authority or by the governor if an appointing authority other than the governor fails to do so. In the latter case, the governor shall give notice of the violation and an opportunity to be heard on it to the employee and to the appointing authority. A claim presented against an appropriation without prior allotment or encumbrance may be made valid on investigation, review, and approval by the agency head in accordance with the commissioner's policy, if the services, materials, or supplies to be paid for were actually furnished in good faith without collusion and without intent to defraud. The commissioner may then ~~draw a warrant to~~ pay the claim just as properly allotted and encumbered claims are paid.

(b) The commissioner may approve payment for materials and supplies in excess of the obligation amount when increases are authorized by section 16C.03, subdivision 3.

(c) To minimize potential construction delay claims, an agency with a project funded by a building appropriation may allow a contractor to proceed with supplemental work within the limits of the appropriation before money is encumbered. Under this circumstance, the agency may requisition funds and allow contractors to expeditiously proceed with a construction sequence. While the contractor is proceeding, the agency shall immediately act to encumber the required funds.

Sec. 8. Minnesota Statutes 2018, section 16A.17, subdivision 5, is amended to read:

Subd. 5. **Payroll duties.** When the department prepares the payroll for an agency, the commissioner assumes the agency head's duties to make authorized or required deductions from, or employer contributions on, the pay of the agency's employees and to prepare and issue the necessary ~~warrants~~ payments.

Sec. 9. Minnesota Statutes 2018, section 16A.272, subdivision 3, is amended to read:

Subd. 3. **Section 7.19 16A.271 to apply.** The provisions of Minnesota Statutes ~~1941~~, section ~~7.19~~ 16A.271, shall apply to deposits of securities made pursuant to this section.

Sec. 10. Minnesota Statutes 2018, section 16A.40, is amended to read:

**16A.40 WARRANTS AND ELECTRONIC FUND TRANSFERS.**

Money must not be paid out of the state treasury except upon the warrant of the commissioner or an electronic fund transfer approved by the commissioner. Warrants must be drawn on printed blanks that are in numerical order. The commissioner shall enter, in numerical order in a warrant payment register, the number, amount, date, and payee for every warrant payment issued.

The commissioner may require payees to supply their bank routing information to enable the payments to be made through an electronic fund transfer.

Sec. 11. Minnesota Statutes 2018, section 16A.42, subdivision 2, is amended to read:

Subd. 2. **Approval.** If the claim is approved, the commissioner shall ~~complete and sign a warrant~~ issue a payment in the amount of the claim.

Sec. 12. Minnesota Statutes 2018, section 16A.42, subdivision 4, is amended to read:

Subd. 4. **Register.** The commissioner shall enter a warrant payment in the warrant payment register as if it were a cash payment.

Sec. 13. Minnesota Statutes 2018, section 16A.42, is amended by adding a subdivision to read:

Subd. 5. **Invalid claims.** If the commissioner determines that a claim is invalid after issuing a warrant, the commissioner may void an unpaid warrant. The commissioner is not liable to any holder who took the void warrant for value.

Sec. 14. Minnesota Statutes 2018, section 16A.56, is amended to read:

**16A.56 COMMISSIONER'S RECEIPT AND CLAIM DUTIES.**

The commissioner or a designee shall examine every receipt and claim, and if proper, approve them, name the account to be charged or credited, and issue ~~warrants~~ payments to pay claims.

Sec. 15. Minnesota Statutes 2018, section 16A.671, subdivision 1, is amended to read:

Subdivision 1. **Authority; advisory recommendation.** To ensure that cash is available when needed to ~~pay warrants~~ make payments drawn on the general fund under appropriations and allotments, the commissioner may (1) issue certificates of indebtedness in anticipation of the collection of taxes levied for and other revenues appropriated to the general fund for expenditure during each biennium; and (2) issue additional certificates to refund outstanding certificates and interest on them, under the constitution, article XI, section 6.

Sec. 16. Minnesota Statutes 2018, section 16B.37, subdivision 4, is amended to read:

Subd. 4. **Work of department for another.** To avoid duplication and improve efficiency, the commissioner may direct an agency to do work for another agency or may direct a division or section of an agency to do work for another division or section within the same agency and shall require reimbursement for the work. Reimbursements received by an agency are reappropriated to the account making the original expenditure in accordance with the transfer ~~warrant~~ procedure established by the commissioner of management and budget.



Sec. 17. Minnesota Statutes 2018, section 16D.03, subdivision 2, is amended to read:

Subd. 2. **State agency reports.** State agencies shall report quarterly to the commissioner of management and budget the debts owed to them. The commissioner of management and budget, ~~in consultation with the commissioners of revenue and human services, and the attorney general,~~ shall establish internal guidelines for the recognition, tracking, and reporting, ~~and collection~~ of debts owed the state. The internal guidelines must include accounting standards, performance measurements, and uniform reporting requirements applicable to all state agencies. The commissioner of management and budget shall require a state agency to recognize, track, report, and attempt to collect debts according to the internal guidelines. The commissioner, in consultation with the commissioner of management and budget and the attorney general, shall establish internal guidelines for the collection of debt owed to the state.

Sec. 18. Minnesota Statutes 2018, section 16D.09, subdivision 1, is amended to read:

Subdivision 1. **Generally.** (a) When a debt is determined by a state agency to be uncollectible, the debt may be written off by the state agency from the state agency's financial accounting records and no longer recognized as an account receivable for financial reporting purposes. A debt is considered to be uncollectible when (1) all reasonable collection efforts have been exhausted, (2) the cost of further collection action will exceed the amount recoverable, (3) the debt is legally without merit or cannot be substantiated by evidence, (4) the debtor cannot be located, (5) the available assets or income, current or anticipated, that may be available for payment of the debt are insufficient, (6) the debt has been discharged in bankruptcy, (7) the applicable statute of limitations for collection of the debt has expired, or (8) it is not in the public interest to pursue collection of the debt. ~~The determination of the uncollectibility of a~~

(b) Uncollectible debt must be reported by the state agency ~~along with the basis for that decision~~ as part of its quarterly reports to the commissioner of management and budget. The basis for the determination of the uncollectibility of the debt must be maintained by the state agency. If an uncollectible debt exceeds \$10,000, the basis for the determination that the debt is uncollectible must be included in its quarterly report, and a copy of that report must be submitted electronically to the chairs and ranking minority members of the legislative committees with jurisdiction over the state agency's budget at the same time the report is delivered to the commissioner of management and budget. Determining that the debt is uncollectible does not cancel the legal obligation of the debtor to pay the debt.

Sec. 19. Minnesota Statutes 2018, section 21.116, is amended to read:

#### **21.116 EXPENSES.**

All necessary expenses incurred in carrying out the provisions of sections 21.111 to 21.122 and the compensation of officers, inspectors, and employees appointed, designated, or employed by the commissioner, as provided in such sections, together with their necessary traveling expenses, together with the traveling expenses of the members of the advisory seed potato certification committee, and other expenses necessary in attending committee meetings, shall be paid from, and only from, the seed potato inspection account, on order of the commissioner and commissioner of management and ~~budget's voucher warrant~~ budget.

Sec. 20. Minnesota Statutes 2018, section 43A.30, subdivision 2, is amended to read:

Subd. 2. **Payroll deduction.** If an eligible person who is on any payroll of the state or an eligible person's dependents is enrolled for any of the optional coverages made available by the commissioner pursuant to section 43A.26 the commissioner of management and budget, upon the person's written order, shall deduct from the salary or wages of the person those amounts required from time to time to maintain the optional coverages in force, and issue a ~~warrant~~ payment therefor to the appropriate carrier.

Sec. 21. Minnesota Statutes 2018, section 43A.49, is amended to read:

**43A.49 VOLUNTARY UNPAID LEAVE OF ABSENCE.**

(a) Appointing authorities in state government may allow each employee to take unpaid leaves of absence for up to 1,040 hours in each two-year period beginning July 1 of each odd-numbered year. Each appointing authority approving such a leave shall allow the employee to continue accruing vacation and sick leave, be eligible for paid holidays and insurance benefits, accrue seniority, and accrue service credit and credited salary in retirement plans as if the employee had actually been employed during the time of leave. An employee covered by the unclassified plan may voluntarily make the employee contributions to the unclassified plan during the leave of absence. If the employee makes these contributions, the appointing authority must make the employer contribution. If the leave of absence is for one full pay period or longer, any holiday pay shall be included in the first payroll ~~warrant~~ payment after return from the leave of absence. The appointing authority shall attempt to grant requests for the unpaid leaves of absence consistent with the need to continue efficient operation of the agency. However, each appointing authority shall retain discretion to grant or refuse to grant requests for leaves of absence and to schedule and cancel leaves, subject to the applicable provisions of collective bargaining agreements and compensation plans.

(b) To receive eligible service credit and credited salary in a defined benefit plan, the member shall pay an amount equal to the applicable employee contribution rates. If an employee pays the employee contribution for the period of the leave under this section, the appointing authority must pay the employer contribution. The appointing authority may, at its discretion, pay the employee contributions. Contributions must be made in a time and manner prescribed by the executive director of the applicable retirement system.

Sec. 22. Minnesota Statutes 2018, section 49.24, subdivision 13, is amended to read:

Subd. 13. **Disposition of unclaimed dividends.** Upon the liquidation of any financial institution liquidated by the commissioner as statutory liquidator, if any dividends or other moneys set apart for the payment of claims remain unpaid, and the places of residence of the owners thereof are unknown to the commissioner, the commissioner may pay same into the state treasury as hereinafter provided. Whenever the commissioner shall be satisfied that the process of liquidation should not be further continued the commissioner may make and certify triplicate lists of any such unclaimed dividends or other moneys, specifying the name of each owner, the amount due, and the last known address. Upon one of such lists, to be retained by the commissioner shall be endorsed the commissioner's order that such unclaimed moneys be forthwith deposited in the state treasury. When so deposited, one of said lists shall be delivered to the commissioner of management and budget and the commissioner shall retain in the commissioner's office such records and proofs concerning said claims as the commissioner may have, which shall thereafter remain on file in the office. The commissioner of management and budget shall execute upon the list retained by the commissioner a receipt for such money, which shall operate as a full discharge of the commissioner on account of such claims. At any time within six years after such receipt, but not afterward, the claimant may apply to the commissioner for the amount so deposited for the claimant's benefit, and upon proof satisfactory to the governor, the attorney general and the commissioner, or to a majority of them, they shall give an order to the commissioner of management and budget to issue a ~~warrant~~ payment for such amount, and such ~~warrant~~ payment shall thereupon be issued. If no such claim be presented within six years, the commissioner shall so note upon the commissioner's copy of said list and certify the fact to the commissioner of management and budget who shall make like entries upon the commissioner of management and budget's corresponding lists; and all further claims to said money shall be barred. Provided, that the commissioner of management and budget shall transfer to the commissioner of commerce's liquidation fund created by this section not to exceed 50 percent of the amount so turned over by the commissioner, to be used to partially defray expenses in connection with the liquidation of closed banks and the conduct of the liquidation division, in such amounts and at such times as the commissioner shall request.

There is hereby appropriated to the persons entitled to such amounts, from such moneys in the state treasury not otherwise appropriated, an amount sufficient to make such payment.

Sec. 23. Minnesota Statutes 2018, section 49.24, subdivision 16, is amended to read:

Subd. 16. **Transfers to liquidation fund.** The following moneys shall be transferred to and deposited in the commissioner of commerce's liquidation fund:

(1) All moneys paid to the commissioner of management and budget by the commissioner out of funds of any financial institution in the commissioner's hands as reimbursement for services and expenses pursuant to the provisions of subdivision 7.

(2) All moneys in the possession of the commissioner set aside for the purpose of meeting unforeseen and contingent expenses incident to the liquidation of closed financial institutions, which funds have been or shall be hereafter established by withholding portions of final liquidating dividends in such cases.

(3) All moneys which the commissioner shall request the commissioner of management and budget to transfer to such fund pursuant to the provisions of subdivision 13.

(4) All moneys in the possession of the commissioner now carried on the commissioner's books in "stamp account," "suspense account," and "unclaimed deposit account."

(5) All moneys in the possession of the commissioner which the commissioner may be authorized by order of any district court having jurisdiction of any liquidation proceedings to transfer to such fund, or to use for any of the purposes for which the fund is established.

(6) All moneys in the possession of the commissioner carried on the commissioner's books in the "unclaimed bonds account." At any time within six years after any bond the proceeds of the sale of which constitute a portion of the moneys in this paragraph referred to came into the possession of the commissioner as liquidator of any financial institution, any claimant thereto may apply to the commissioner for the proceeds of the sale of such bond, and, upon proof satisfactory to the governor, the attorney general, and the commissioner, or a majority of them, they shall give an order to the commissioner of management and budget to issue a ~~warrant~~ payment for such amount, without interest, and such ~~warrant~~ payment shall thereupon be issued and the amount thereof paid out of the commissioner of commerce's liquidation fund. If no such claim be presented within such period, all further claims to the proceeds of any such bond shall be barred.

(7) All sums which the commissioner may receive from the sale of personal property of liquidated financial institutions where the final dividend has been paid and no disposition of said property made by any order of the court, and the proceeds of sales of any personal property used by the liquidation division which have been purchased with funds of financial institutions in liquidation.

Sec. 24. Minnesota Statutes 2018, section 69.031, subdivision 1, is amended to read:

Subdivision 1. **Commissioner's ~~warrant~~ payment.** (a) The commissioner of management and budget shall issue to the Public Employees Retirement Association on behalf of a municipality or independent nonprofit firefighting corporation that is a member of the voluntary statewide lump-sum volunteer firefighter retirement plan under chapter 353G, to the Department of Natural Resources, the Department of Public Safety, or the county, municipality, or independent nonprofit firefighting corporation certified to the commissioner of management and budget by the commissioner a ~~warrant~~ payment for an amount equal to the amount of fire state aid or police state aid, whichever applies, certified for the applicable state aid recipient by the commissioner under section 69.021.

(b) Fire state aid and police state aid is payable on October 1 annually. The amount of state aid due and not paid by October 1 accrues interest payable to the state aid recipient at the rate of one percent for each month or part of a month that the amount remains unpaid after October 1.

Sec. 25. Minnesota Statutes 2018, section 80A.65, subdivision 9, is amended to read:

Subd. 9. **Generally.** No filing for which a fee is required shall be deemed to be filed or given any effect until the proper fee is paid. All fees and charges collected by the administrator shall be covered into the state treasury. When any person is entitled to a refund under this section, the administrator shall certify to the commissioner of management and budget the amount of the fee to be refunded to the applicant, and the commissioner of management and budget shall issue a ~~warrant in~~ payment thereof out of the fund to which such fee was credited in the manner provided by law. There is hereby appropriated to the person entitled to such refunds from the fund in the state treasury to which such fees were credited an amount to make such refunds and payments.

Sec. 26. Minnesota Statutes 2018, section 84A.23, subdivision 4, is amended to read:

Subd. 4. **Drainage ditch bonds; reports.** (a) Immediately after a project is approved and accepted and then after each distribution of the tax collections on the June and November tax settlements, the county auditor shall certify to the commissioner of management and budget the following information relating to bonds issued to finance or refinance public drainage ditches wholly or partly within the projects, and the collection of assessments levied on account of the ditches:

- (1) the amount of principal and interest to become due on the bonds before the next tax settlement and distribution;
- (2) the amount of money collected from the drainage assessments and credited to the funds of the ditches; and
- (3) the amount of the deficit in the ditch fund of the county chargeable to the ditches.

(b) On approving the certificate, the commissioner of management and budget shall ~~draw a warrant~~ issue a payment, payable out of the fund pertaining to the project, for the amount of the deficit in favor of the county.

(c) As to public drainage ditches wholly within a project, the amount of money paid to or for the benefit of the county under paragraph (b) must never exceed the principal and interest of the bonds issued to finance or refinance the ditches outstanding at the time of the passage and approval of sections 84A.20 to 84A.30, less money on hand in the county ditch fund to the credit of the ditches. The liabilities must be reduced from time to time by the amount of all payments of assessments after April 25, 1931, made by the owners of lands assessed before that date for benefits on account of the ditches.

(d) As to public drainage ditches partly within and partly outside a project, the amount paid from the fund pertaining to the project to or for the benefit of the county must never exceed a certain percentage of bonds issued to finance and refinance the ditches so outstanding, less money on hand in the county ditch fund to the credit of the ditches on April 25, 1931. The percentage must bear the same proportion to the whole amount of these bonds as the original benefits assessed against lands within the project bear to the original total benefits assessed to the entire system of the ditches. This liability shall be reduced from time to time by the payments of all assessments extended after April 25, 1931, made by the owners of lands within the project of assessments for benefits assessed before that date on account of a ditch.

(e) The commissioner of management and budget may provide and prescribe forms for reports required by sections 84A.20 to 84A.30 and require any additional information from county officials that the commissioner of management and budget considers necessary for the proper administration of sections 84A.20 to 84A.30.

Sec. 27. Minnesota Statutes 2018, section 84A.33, subdivision 4, is amended to read:

Subd. 4. **Ditch bonds; funds; payments to counties.** (a) Upon the approval and acceptance of a project and after each distribution of the tax collections for the June and November tax settlements, the county auditor shall certify to the commissioner of management and budget the following information about bonds issued to finance or refinance public drainage ditches wholly or partly within the projects, and the collection of assessments levied for the ditches:

(1) the amount of principal and interest to become due on the bonds before the next tax settlement and distribution;

(2) the amount of money collected from the drainage assessments and credited to the funds of the ditches, not already sent to the commissioner of management and budget as provided in sections 84A.31 to 84A.42; and

(3) the amount of the deficit in the ditch fund of the county chargeable to the ditches.

(b) On approving this certificate of the county auditor, the commissioner of management and budget shall ~~draw a warrant~~ issue a payment, payable out of the fund provided for in sections 84A.31 to 84A.42, and send it to the county treasurer of the county. These funds must be credited to the proper ditch of the county and placed in the ditch bond fund of the county, which is created, and used only to pay the ditch bonded indebtedness of the county assumed by the state under sections 84A.31 to 84A.42. The total amount of ~~warrants drawn~~ payments issued must not exceed in any one year the total amount of the deficit provided for under this section.

(c) The state is subrogated to all title, right, interest, or lien of the county in or on the lands so certified within these projects.

(d) As to public drainage ditches wholly within a project, the amount paid to, or for the benefit of, the county under this subdivision must never exceed the principal and interest of the bonds issued to finance or refinance a ditch outstanding on April 22, 1933, less money on hand in the county ditch fund to the credit of a ditch. These liabilities must be reduced from time to time by the amount of any payments of assessments extended after April 22, 1933, made by the owners of lands assessed before that date for benefits on account of the ditches.

As to public drainage ditches partly within and partly outside a project the amount paid from the fund pertaining to the project to or for the benefit of the county must never exceed a certain percentage of bonds issued to finance and refinance a ditch so outstanding, less money on hand in the county ditch fund to the credit of a ditch on April 22, 1932. The percentage must bear the same proportion to the whole amount of the bonds as the original benefits assessed against these lands within the project bear to the original total benefits assessed to the entire system for a ditch. This liability must be reduced from time to time by the payments of all assessments extended after April 22, 1933, made by the owners of lands within the project of assessments for benefits assessed before that date on account of a ditch.

Sec. 28. Minnesota Statutes 2018, section 84A.40, is amended to read:

**84A.40 COUNTY MAY ASSUME BONDS.**

(a) Any county where a project or portion of it is located may voluntarily assume, in the manner specified in this section, the obligation to pay a portion of the principal and interest of the bonds issued before the approval and acceptance of the project and remaining unpaid at maturity, of any school district or town in the county and wholly or partly within the project. The portion must bear the same proportion to the whole of the unpaid principal and interest as the last net tax capacity, before the acceptance of the project, of lands then acquired by the state under sections 84A.31 to 84A.42 in the school districts or towns bears to the total net tax capacity for the same year of the

school district or town. This assumption must be evidenced by a resolution of the county board of the county. A copy of the resolution must be certified to the commissioner of management and budget within one year after the acceptance of the project.

(b) Later, if any of the bonds remains unpaid at maturity, the county board shall, upon demand of the governing body of the school district or town or of a bondholder, provide for the payment of the portion assumed. The county shall levy general taxes on all the taxable property of the county for that purpose, or issue its bonds to raise the sum needed, conforming to law respecting the issuance of county refunding bonds. The proceeds of taxes or bonds must be paid by the county treasurer to the treasurer of the school district or town. No payments shall be made by the county to the school district or town until the money in the treasury of the school district or town, together with the money to be paid by the county, is sufficient to pay in full each of the bonds as it becomes due.

(c) If a county fails to adopt and certify the resolution, the commissioner of management and budget shall withhold from the payments to be made to the county under section 84A.32 a sum equal to that portion of the principal and interest of the outstanding bonds that bears the same proportion to the whole of the bonds as the above determined net tax capacity of lands acquired by the state within the project bears to the total net tax capacity for the same year of the school district or town. Money withheld from the county must be set aside in the state treasury and not paid to the county until the full principal and interest of the school district and town bonds have been paid.

(d) If any bonds remain unpaid at maturity, upon the demand of the governing body of the school district or town, or a bondholder, the commissioner of management and budget shall issue to the treasurer of the school district or town a ~~warrant payment~~ for that portion of the past due principal and interest computed as in the case of the county's liability authorized in this section to be voluntarily assumed. Money received by a school district or town under this section must be applied to the payment of past-due bonds and interest.

Sec. 29. Minnesota Statutes 2018, section 84A.52, is amended to read:

**84A.52 ACCOUNTS; EXAMINATION, APPROPRIATION, PAYMENT.**

(a) As a part of the examination provided for by section 6.481, of the accounts of the several counties within a game preserve, area, or project established under section 84A.01, 84A.20, or 84A.31, the state auditor shall segregate the audit of the accounts reflecting the receipt and disbursement of money collected or disbursed under this chapter or from the sale of tax-forfeited lands held by the state under section 84A.07, 84A.26, or 84A.36. The auditor shall also include in the reports required by section 6.481 summary statements as of December 31 before the examination that set forth the proportionate amount of principal and interest due from the state to the individual county and any money due the state from the county remaining unpaid under this chapter, or from the sale of any tax-forfeited lands referred to in this section, and other information required by the commissioner of management and budget. On receiving a report, the commissioner of management and budget shall determine the net amount due to the county for the period covered by the report and shall ~~draw a warrant~~ issue a payment upon the state treasury payable out of the consolidated fund for that amount. It must be paid to and received by the county as payment in full of all amounts due for the period stated on the ~~warrants~~ payments from the state under any provision of this chapter.

(b) Money to ~~pay the warrants~~ make the payments is appropriated to the counties entitled to payment from the consolidated fund in the state treasury.

Sec. 30. Minnesota Statutes 2018, section 88.12, subdivision 1, is amended to read:

Subdivision 1. **Limitation.** The compensation and expenses of persons temporarily employed in emergencies in suppression or control of wildfires shall be fixed by the commissioner of natural resources or an authorized agent and paid as provided by law. Such compensation shall not exceed the maximum rate for comparable labor

established as provided by law or rules, but shall not be subject to any minimum rate so established. The commissioner is authorized to draw and expend from money appropriated for the purposes of sections 88.03 to 88.22 a reasonable sum and through forest officers or other authorized agent be used in paying emergency expenses, including just compensation for services rendered by persons summoned and for private property used, damaged, or appropriated under sections 88.03 to 88.22. The commissioner of management and budget is authorized to ~~draw a warrant~~ issue a payment for this sum when duly approved by the commissioner. The commissioner or agent in charge shall take proper subvouchers or receipts from all persons to whom these moneys are paid, and after these subvouchers have been approved they shall be filed with the commissioner of management and budget. Authorized funds as herein provided at any time shall be deposited, subject to withdrawal or disbursement by check or otherwise for the purposes herein prescribed, in a bank authorized and bonded to receive state deposits; and the bond of this bank to the state shall cover and include this deposit.

Sec. 31. Minnesota Statutes 2018, section 94.522, is amended to read:

**94.522 ~~WARRANTS~~ PAYMENTS TO COUNTY TREASURERS; USE OF PROCEEDS.**

It shall be the duty of the commissioner of management and budget to transmit ~~warrants on~~ payments from the state treasury to the county treasurer of the respective counties for the sums that may be due in accordance with section 94.521, which sums are hereby appropriated out of the state treasury from the amounts received from the United States government pursuant to the aforesaid acts of Congress, and such money shall be used by the counties receiving the same for the purposes and in the proportions herein provided.

Sec. 32. Minnesota Statutes 2018, section 94.53, is amended to read:

**94.53 ~~WARRANTS~~ PAYMENTS TO COUNTY TREASURERS; FEDERAL LOANS TO COUNTIES.**

It shall be the duty of the commissioner of management and budget to transmit ~~warrants on~~ payments from the state treasury to the county treasurers of the respective counties for the sum that may be due in accordance with sections 94.52 to 94.54, which sum or sums are hereby appropriated out of the state treasury from the amounts received from the United States government pursuant to the aforesaid act of Congress. The commissioner of management and budget, upon being notified by the federal government or any agencies thereof that a loan has been made to any such county the repayment of which is to be made from such fund, is authorized to transmit a ~~warrant or warrants~~ payment to the federal government or any agency thereof sufficient to repay such loan out of any money apportioned or due to such county under the provisions of such act of Congress, approved May 23, 1908 (Statutes at Large, volume 35, page 260).

Sec. 33. Minnesota Statutes 2018, section 116J.64, subdivision 7, is amended to read:

Subd. 7. **Processing.** (a) An Indian desiring a loan for the purpose of starting a business enterprise or expanding an existing business shall make application to the appropriate tribal government. The application shall be forwarded to the appropriate eligible organization, if it is participating in the program, for consideration in conformity with the plans submitted by said tribal governments. The tribal government may approve the application if it determines that the loan would advance the goals of the Indian business loan program. If the tribal government is not participating in the program, the agency may directly approve or deny the loan application.

(b) If the application is approved, the tribal government shall forward the application, together with all relevant documents pertinent thereto, to the commissioner of the agency, who shall ~~cause a warrant~~ request a payment to be ~~drawn in favor of~~ issued to the applicant or the applicable tribal government, or the agency, if it is administering the loan, with appropriate notations identifying the borrower.

(c) The tribal government, eligible organization, or the agency, if it is administering the loan, shall maintain records of transactions for each borrower in a manner consistent with good accounting practice. The interest rate on a loan shall be established by the tribal government or the agency, but may be no less than two percent per annum nor more than ten percent per annum. When any portion of a debt is repaid, the tribal government, eligible organization, or the agency, if it is administering the loan, shall remit the amount so received plus interest paid thereon to the commissioner of management and budget through the agency. The amount so received shall be credited to the Indian business loan account.

(d) On the placing of a loan, additional money equal to ten percent of the total amount made available to any tribal government, eligible organization, or the agency, if it is administering the loan, for loans during the fiscal year shall be paid to the tribal government, eligible organization, or the agency, prior to December 31 for the purpose of financing administrative costs.

Sec. 34. Minnesota Statutes 2018, section 126C.55, subdivision 2, is amended to read:

Subd. 2. **Notifications; payment; appropriation.** (a) If a school district or intermediate school district believes that it may be unable to make a principal or interest payment on any outstanding debt obligation on the date that payment is due, it must notify the commissioner as soon as possible, but not less than 15 working days before the date that principal or interest payment is due. The notice must include the name of the school district or intermediate school district, an identification of the debt obligation issue in question, the date the payment is due, the amount of principal and interest due on the payment date, the amount of principal or interest that the school district or intermediate school district will be unable to repay on that date, the paying agent for the debt obligation, the wire transfer instructions to transfer funds to that paying agent, and an indication as to whether a payment is being requested by the school district or intermediate school district under this section. If a paying agent becomes aware of a potential default, it shall inform the commissioner of that fact. After receipt of a notice which requests a payment under this section, after consultation with the school district or intermediate school district and the paying agent, and after verification of the accuracy of the information provided, the commissioner shall notify the commissioner of management and budget of the potential default. The notice must include a final figure as to the amount due that the school district or intermediate school district will be unable to repay on the date due.

(b) Except as provided in subdivision 9, upon receipt of this notice from the commissioner, the commissioner of management and budget shall issue a ~~warrant~~ payment and authorize the commissioner of education to pay to the paying agent for the debt obligation the specified amount on or before the date due. The amounts needed for the purposes of this subdivision are annually appropriated to the department from the state general fund.

(c) The Departments of Education and Management and Budget must jointly develop detailed procedures for school districts and intermediate school districts to notify the state that they have obligated themselves to be bound by the provisions of this section, procedures for school districts or intermediate school districts and paying agents to notify the state of potential defaults and to request state payment under this section, and procedures for the state to expedite payments to prevent defaults. The procedures are not subject to chapter 14.

Sec. 35. Minnesota Statutes 2018, section 126C.55, subdivision 9, is amended to read:

Subd. 9. **State bond rating.** If the commissioner of management and budget determines that the credit rating of the state would be adversely affected thereby, the commissioner of management and budget shall not issue ~~warrants~~ payments under subdivision 2 for the payment of principal or interest on any debt obligations for which a district did not, prior to their issuance, obligate itself to be bound by the provisions of this section.



Sec. 36. Minnesota Statutes 2018, section 126C.68, subdivision 3, is amended to read:

Subd. 3. **Warrant Payment.** The commissioner shall issue to each district whose note has been so received a warrant payment on the debt service loan account of the maximum effort school loan fund, payable on presentation to the commissioner of management and budget out of any money in such account. The warrant payment shall be issued by the commissioner in sufficient time to coincide with the next date on which the district is obligated to make principal or interest payments on its bonded debt in the ensuing year. Interest must accrue from the date such warrant payment is issued. The proceeds thereof must be used by the district to pay principal or interest on its bonded debt falling due in the ensuing year.

Sec. 37. Minnesota Statutes 2018, section 126C.69, subdivision 14, is amended to read:

Subd. 14. **Participation by county auditor; record of contract; payment of loan.** The district must file a copy of the capital loan contract with the county auditor of each county in which any part of the district is situated. The county auditor shall enter the capital loan, evidenced by the contract, in the auditor's bond register. The commissioner shall keep a record of each capital loan and contract showing the name and address of the district, the date of the contract, and the amount of the loan initially approved. On receipt of the resolution required in subdivision 12, the commissioner shall issue warrants payments, which may be dispersed in accordance with the schedule in the contract, on the capital loan account for the amount that may be disbursed under subdivision 1. Interest on each disbursement of the capital loan amount accrues from the date on which the commissioner of management and budget issues the warrant payment.

Sec. 38. Minnesota Statutes 2018, section 127A.34, subdivision 1, is amended to read:

Subdivision 1. **Copy to commissioner of management and budget; appropriation.** The commissioner shall furnish a copy of the apportionment of the school endowment fund to the commissioner of management and budget, who thereupon shall ~~draw warrants on~~ issue payments from the state treasury, payable to the several districts, for the amount due each district. There is hereby annually appropriated from the school endowment fund the amount of such apportionments.

Sec. 39. Minnesota Statutes 2018, section 127A.40, is amended to read:

#### **127A.40 MANNER OF PAYMENT OF STATE AIDS.**

It shall be the duty of the commissioner to deliver to the commissioner of management and budget a certificate for each district entitled to receive state aid under the provisions of this chapter. Upon the receipt of such certificate, it shall be the duty of the commissioner of management and budget to ~~draw a warrant in favor of~~ issue a payment to the district for the amount shown by each certificate to be due to the district. The commissioner of management and budget shall transmit such warrants payments to the district together with a copy of the certificate prepared by the commissioner.

Sec. 40. Minnesota Statutes 2018, section 136F.46, subdivision 1, is amended to read:

Subdivision 1. **Request; warrant payment.** The commissioner of management and budget, upon the written request of an employee of the board, may deduct from an employee's salary or wages the amount requested for payment to a nonprofit state college or university foundation meeting the requirements in subdivision 2. The commissioner shall issue a warrant payment for the deducted amount to the nonprofit foundation. The Penny Fellowship and the Nellie Stone Johnson Scholarship Program of the Minnesota State University Student Association shall be considered nonprofit state college and university foundations for purposes of this section.

Sec. 41. Minnesota Statutes 2018, section 136F.70, subdivision 3, is amended to read:

Subd. 3. **Refunds.** The board may make refunds to students for tuition, activity fees, union fees, and any other fees from imprest cash funds. The imprest cash fund shall be reimbursed periodically by ~~checks or warrants drawn on payments issued from~~ the funds and accounts to which the refund should ultimately be charged. The amounts necessary to pay the refunds are appropriated from the funds and accounts to which they are charged.

Sec. 42. Minnesota Statutes 2018, section 162.08, subdivision 10, is amended to read:

Subd. 10. **Project approval, reports.** When the county board of any county determines to do any construction work on a county state-aid highway or other road eligible for the expenditure of state aid funds within the county, and desires to expend on such work a portion of the money apportioned or allocated to it out of the county state-aid highway fund, the county shall first obtain approval of the project by the commissioner. Thereafter the county engineer shall make such reports in such manner as the commissioner requires under rules of the commissioner. Upon receipt of satisfactory reports, the commissioner shall certify to the commissioner of management and budget the amount of money that is eligible to be paid from the county's apportionment or allocation for the work under contract or actually completed. The commissioner of management and budget shall thereupon issue a ~~warrant payment~~ warrant payment in that amount payable to the county treasurer. In no event shall the ~~warrant payment~~ warrant payment with all other ~~warrants payments~~ warrants payments issued exceed the amount apportioned and allocated to the county.

Sec. 43. Minnesota Statutes 2018, section 162.08, subdivision 11, is amended to read:

Subd. 11. **Certification required to issue ~~warrants payment~~ warrant payment.** The commissioner of management and budget shall not issue any ~~warrants payments~~ warrant payment without the certification of the commissioner.

Sec. 44. Minnesota Statutes 2018, section 162.14, subdivision 4, is amended to read:

Subd. 4. **Project approval and reports.** When the governing body of any such city determines to do any construction work on any municipal state-aid street or other streets within the city upon which money apportioned out of the municipal state-aid street fund may be used as provided in subdivision 2, the governing body shall first obtain the approval of the commissioner. Thereafter, the engineer of the city shall make reports in such manner as the commissioner requires in accordance with the commissioner's rules. Upon receipt of satisfactory reports the commissioner shall certify to the commissioner of management and budget the amount of money that is eligible to be paid from the city's apportionment for the work under contract or actually completed. The commissioner of management and budget shall thereupon issue a ~~warrant payment~~ warrant payment in that amount payable to the fiscal officers of the city. In no event shall the ~~warrant payment~~ warrant payment with all other ~~warrants payments~~ warrants payments issued exceed the amount apportioned to the city.

Sec. 45. Minnesota Statutes 2018, section 162.14, subdivision 5, is amended to read:

Subd. 5. **Certification required to issue ~~warrant payment~~ warrant payment.** The commissioner of management and budget shall not issue any ~~warrants payments~~ warrant payment as provided for in subdivision 4 without the prior certification of the commissioner.

Sec. 46. Minnesota Statutes 2018, section 162.18, subdivision 4, is amended to read:

Subd. 4. **Certification to commissioner of money required.** Any municipality issuing and selling bonds pursuant to this section shall certify to the commissioner the amount of money required annually for the payment of principal and interest on the obligation. Upon receipt thereof, the commissioner shall certify to the commissioner of management and budget the sum of money needed annually by the municipality for the principal and interest, provided that the amount certified by the commissioner shall not exceed the limit heretofore specified. The

commissioner of management and budget shall thereafter, until said bonds are retired, issue a ~~warrant~~ payment annually in the amount certified payable to the fiscal officer of the municipality, and the amount thereof shall be deposited by the fiscal officer in the sinking fund from which the obligations are payable.

Sec. 47. Minnesota Statutes 2018, section 162.181, subdivision 4, is amended to read:

Subd. 4. **Certification to commissioner of money required.** Any county issuing and selling bonds pursuant to this section shall certify to the commissioner the amount of money required annually for the payment of principal and interest on the obligation. Upon receipt thereof, the commissioner shall certify to the commissioner of management and budget the sum of money needed annually by the county for the principal and interest, provided that the amount certified by the commissioner shall not exceed the limit heretofore specified. The commissioner of management and budget shall thereafter, until said bonds are retired, issue a ~~warrant~~ payment annually in the amount certified payable to the county treasurer of the county, and the amount thereof shall be deposited by the county treasurer in the sinking fund from which the obligations are payable.

Sec. 48. Minnesota Statutes 2018, section 163.051, subdivision 3, is amended to read:

Subd. 3. **Distribution to county; appropriation.** On a monthly basis, the registrar of motor vehicles shall issue a ~~warrant~~ payment in favor of the treasurer of each county for which the registrar has collected a wheelage tax in the amount of such tax then on hand in the county wheelage tax account. There is hereby appropriated from the county wheelage tax account each year, to each county entitled to payments authorized by this section, sufficient moneys to make such payments.

Sec. 49. Minnesota Statutes 2018, section 176.181, subdivision 2, is amended to read:

Subd. 2. **Compulsory insurance; self-insurers.** (a) Every employer, except the state and its municipal subdivisions, liable under this chapter to pay compensation shall insure payment of compensation with some insurance carrier authorized to insure workers' compensation liability in this state, or obtain a written order from the commissioner of commerce exempting the employer from insuring liability for compensation and permitting self-insurance of the liability. The terms, conditions and requirements governing self-insurance shall be established by the commissioner pursuant to chapter 14. The commissioner of commerce shall also adopt, pursuant to paragraph (d), rules permitting two or more employers, whether or not they are in the same industry, to enter into agreements to pool their liabilities under this chapter for the purpose of qualifying as group self-insurers. With the approval of the commissioner of commerce, any employer may exclude medical, chiropractic and hospital benefits as required by this chapter. An employer conducting distinct operations at different locations may either insure or self-insure the other portion of operations as a distinct and separate risk. An employer desiring to be exempted from insuring liability for compensation shall make application to the commissioner of commerce, showing financial ability to pay the compensation, whereupon by written order the commissioner of commerce, on deeming it proper, may make an exemption. An employer may establish financial ability to pay compensation by providing financial statements of the employer to the commissioner of commerce. Upon ten days' written notice the commissioner of commerce may revoke the order granting an exemption, in which event the employer shall immediately insure the liability. As a condition for the granting of an exemption the commissioner of commerce may require the employer to furnish security the commissioner of commerce considers sufficient to insure payment of all claims under this chapter, consistent with subdivision 2b. If the required security is in the form of currency or negotiable bonds, the commissioner of commerce shall deposit it with the commissioner of management and budget. In the event of any default upon the part of a self-insurer to abide by any final order or decision of the commissioner of labor and industry directing and awarding payment of compensation and benefits to any employee or the dependents of any deceased employee, then upon at least ten days' notice to the self-insurer, the commissioner of commerce may by written order to the commissioner of management and budget require the commissioner of management and budget to sell the pledged and assigned securities or a part thereof necessary to pay the full amount of any such claim or award with interest thereon. This authority to sell may be exercised from time to time to satisfy any order or award

of the commissioner of labor and industry or any judgment obtained thereon. When securities are sold the money obtained shall be deposited in the state treasury to the credit of the commissioner of commerce and awards made against any such self-insurer by the commissioner of commerce shall be paid to the persons entitled thereto by the commissioner of management and budget upon ~~warrants prepared~~ payments requested by the commissioner of commerce out of the proceeds of the sale of securities. Where the security is in the form of a surety bond or personal guaranty the commissioner of commerce, at any time, upon at least ten days' notice and opportunity to be heard, may require the surety to pay the amount of the award, the payments to be enforced in like manner as the award may be enforced.

(b) No association, corporation, partnership, sole proprietorship, trust or other business entity shall provide services in the design, establishment or administration of a group self-insurance plan under rules adopted pursuant to this subdivision unless it is licensed, or exempt from licensure, pursuant to section 60A.23, subdivision 8, to do so by the commissioner of commerce. An applicant for a license shall state in writing the type of activities it seeks authorization to engage in and the type of services it seeks authorization to provide. The license shall be granted only when the commissioner of commerce is satisfied that the entity possesses the necessary organization, background, expertise, and financial integrity to supply the services sought to be offered. The commissioner of commerce may issue a license subject to restrictions or limitations, including restrictions or limitations on the type of services which may be supplied or the activities which may be engaged in. The license is for a two-year period.

(c) To assure that group self-insurance plans are financially solvent, administered in a fair and capable fashion, and able to process claims and pay benefits in a prompt, fair and equitable manner, entities licensed to engage in such business are subject to supervision and examination by the commissioner of commerce.

(d) To carry out the purposes of this subdivision, the commissioner of commerce may promulgate administrative rules pursuant to sections 14.001 to 14.69. These rules may:

- (1) establish reporting requirements for administrators of group self-insurance plans;
- (2) establish standards and guidelines consistent with subdivision 2b to assure the adequacy of the financing and administration of group self-insurance plans;
- (3) establish bonding requirements or other provisions assuring the financial integrity of entities administering group self-insurance plans;
- (4) establish standards, including but not limited to minimum terms of membership in self-insurance plans, as necessary to provide stability for those plans;
- (5) establish standards or guidelines governing the formation, operation, administration, and dissolution of self-insurance plans; and
- (6) establish other reasonable requirements to further the purposes of this subdivision.

Sec. 50. Minnesota Statutes 2018, section 176.581, is amended to read:

**176.581 PAYMENT TO STATE EMPLOYEES.**

Upon a ~~warrant request~~ warrant request prepared by the commissioner of administration, and in accordance with the terms of the order awarding compensation, the commissioner of management and budget shall pay compensation to the employee or the employee's dependent. These payments shall be made from money appropriated for this purpose.

Sec. 51. Minnesota Statutes 2018, section 176.591, subdivision 3, is amended to read:

Subd. 3. **Compensation payments upon ~~warrants request~~.** The commissioner of management and budget shall make compensation payments from the fund only as authorized by this chapter upon ~~warrants request~~ of the commissioner of administration.

Sec. 52. Minnesota Statutes 2018, section 192.55, is amended to read:

**192.55 PAYMENTS TO BE MADE THROUGH ADJUTANT GENERAL.**

All pay and allowances and necessary expenses for any of the military forces shall, when approved by the adjutant general, be paid by commissioner of management and ~~budget's warrants issued~~ budget to the several officers and enlisted members entitled thereto; provided, that upon the request of the adjutant general, approved by the governor, the sum required for any such pay or allowances and necessary expenses shall be paid by commissioner of management and ~~budget's warrant~~ budget to the adjutant general, who shall immediately pay and distribute the same to the several officers or enlisted members entitled thereto or to their commanding officers or to a finance officer designated by the adjutant general. The receipt of any such commanding officer or finance officer for any such payment shall discharge the adjutant general from liability therefor. Every commanding officer or finance officer receiving any such payment shall, as soon as practicable, pay and distribute the same to the several officers or enlisted members entitled thereto. The officer making final payment shall, as evidence thereof, secure the signature of the person receiving the same upon a payroll or other proper voucher.

Sec. 53. Minnesota Statutes 2018, section 196.052, is amended to read:

**196.052 GIFT ACCEPTANCE AND INVESTMENT.**

On the behalf of the state, the commissioner may accept any gift, grant, bequest, or devise made for the purposes of this chapter and chapter 197. The commissioner must administer the funds as directed by the donor. All funds must be deposited in the state treasury and credited to the veterans affairs endowment, bequest, and devises fund. The balance of the fund is annually appropriated to the commissioner of veterans affairs to accomplish the purposes of this chapter and chapter 197. Funds received by the commissioner under this section in excess of current needs must be invested by the State Board of Investment in accordance with section 11A.24. Disbursements from this fund must be in the manner provided for the issuance of other state ~~warrants payments~~. The commissioner may refuse to accept any gift, grant, bequest, or devise if acceptance would not be in the best interest of the state or Minnesota's veterans.

Sec. 54. Minnesota Statutes 2018, section 198.16, is amended to read:

**198.16 PLANNED GIVING.**

The commissioner is authorized to accept on behalf of the state any gift, grant, bequest, or devise made for the purposes of this chapter, and administer the same as directed by the donor. All proceeds therefrom including money derived from the sale of any real or personal property must be deposited in the state treasury, invested by the State Board of Investment in accordance with sections 11A.24 and 11A.25, and credited to the Minnesota veterans home endowment, bequest, and devises fund. That fund consists of separate accounts for investing general and restricted gifts, money, and donations received and for any currently expendable proceeds.

The commissioner shall maintain records of all gifts received, clearly showing the identity of the donor, the purpose of the donation, and the ultimate disposition of the donation. Each donation must be duly receipted and must be expended or used by the commissioner as nearly in accordance with the condition of the gift or donation as

is compatible with the best interests of the residents of the homes. Money in the fund is appropriated to the commissioner for the purposes for which it was received. Disbursements from this fund shall be made in the manner provided for the issuance of other state ~~warrants~~ payments.

Whenever the commissioner shall deem it advisable, in accordance with law, to sell or otherwise dispose of any real or personal property thus acquired, the commissioner of administration upon the request of the commissioner shall sell or otherwise dispose of said property in the manner provided by law for the sale or disposition of other state property by the commissioner of administration.

Sec. 55. Minnesota Statutes 2018, section 237.30, is amended to read:

**237.30 TELEPHONE INVESTIGATION FUND; APPROPRIATION.**

A Minnesota Telephone Investigation Fund shall exist for the use of the Department of Commerce and of the attorney general in investigations, valuations, and revaluations under section 237.295. All sums paid by the telephone companies to reimburse the department for its expenses pursuant to section 237.295 shall be credited to the revolving fund and shall be deposited in a separate bank account and not commingled with any other state funds or moneys, but any balance in excess of \$25,000 in the revolving fund at the end of each fiscal year shall be paid into the state treasury and credited to the general fund. All subsequent credits to said revolving fund shall be paid ~~upon the warrant of~~ by the commissioner of management and budget upon application of the department or of the attorney general to an aggregate amount of not more than one-half of such sums to each of them, which proportion shall be constantly maintained in all credits and withdrawals from the revolving fund.

Sec. 56. Minnesota Statutes 2018, section 241.13, subdivision 1, is amended to read:

Subdivision 1. **Contingent account.** The commissioner of corrections may permit a contingent account to remain in the hands of the accounting officer of any such institution from which expenditures may be made in case of actual emergency requiring immediate payment to prevent loss or danger to the institution or its inmates and for the purpose of paying freight, purchasing produce, livestock and other commodities requiring a cash settlement, and for the purpose of discounting bills incurred, but in all cases subject to revision by the commissioner of corrections. An itemized statement of every expenditure made during the month from such account shall be submitted to the commissioner under rules established by the commissioner. If necessary, the commissioner shall make proper requisition upon the commissioner of management and budget for a ~~warrant~~ payment to secure the contingent account for each institution.

Sec. 57. Minnesota Statutes 2018, section 244.19, subdivision 7, is amended to read:

Subd. 7. **Certificate of counties entitled to state aid.** On or before January 1 of each year, until 1970 and on or before April 1 thereafter, the commissioner of corrections shall deliver to the commissioner of management and budget a certificate in duplicate for each county of the state entitled to receive state aid under the provisions of this section. Upon the receipt of such certificate, the commissioner of management and budget shall ~~draw a warrant in favor of~~ issue a payment to the county treasurer for the amount shown by each certificate to be due to the county specified. The commissioner of management and budget shall transmit such ~~warrant~~ payment to the county treasurer together with a copy of the certificate prepared by the commissioner of corrections.

Sec. 58. Minnesota Statutes 2018, section 256B.20, is amended to read:

**256B.20 COUNTY APPROPRIATIONS.**

The providing of funds necessary to carry out the provisions hereof on the part of the counties and the manner of administering the funds of the counties and the state shall be as follows:

(1) The board of county commissioners of each county shall annually set up in its budget an item designated as the county medical assistance fund and levy taxes and fix a rate therefor sufficient to produce the full amount of such item, in addition to all other tax levies and tax rate, however fixed or determined, sufficient to carry out the provisions hereof and sufficient to pay in full the county share of assistance and administrative expense for the ensuing year; and annually on or before October 10 shall certify the same to the county auditor to be entered by the auditor on the tax rolls. Such tax levy and tax rate shall make proper allowance and provision for shortage in tax collections.

(2) Any county may transfer surplus funds from any county fund, except the sinking or ditch fund, to the general fund or to the county medical assistance fund in order to provide money necessary to pay medical assistance awarded hereunder. The money so transferred shall be used for no other purpose, but any portion thereof no longer needed for such purpose shall be transferred back to the fund from which taken.

(3) Upon the order of the county agency the county auditor shall draw a warrant on the proper fund in accordance with the order, and the county treasurer shall pay out the amounts ordered to be paid out as medical assistance hereunder. When necessary by reason of failure to levy sufficient taxes for the payment of the medical assistance in the county, the county auditor shall carry any such payments as an overdraft on the medical assistance funds of the county until sufficient tax funds shall be provided for such assistance payments. The board of county commissioners shall include in the tax levy and tax rate in the year following the year in which such overdraft occurred, an amount sufficient to liquidate such overdraft in full.

(4) Claims for reimbursement and reports shall be presented to the state agency by the respective counties as required under section 256.01, subdivision 2, paragraph (p). The state agency shall audit such claims and certify to the commissioner of management and budget the amounts due the respective counties without delay. The amounts so certified shall be paid within ten days after such certification, from the state treasury upon ~~warrant payment~~ of the commissioner of management and budget from any money available therefor. The money available to the state agency to carry out the provisions hereof, including all federal funds available to the state, shall be kept and deposited by the commissioner of management and budget in the revenue fund and disbursed ~~upon warrants~~ in the same manner as other state funds.

Sec. 59. Minnesota Statutes 2018, section 260B.331, subdivision 2, is amended to read:

Subd. 2. **Cost of group foster care.** Whenever a child is placed in a group foster care facility as provided in section 260B.198, subdivision 1, clause (2) or (3), item (v), the cost of providing the care shall, upon certification by the juvenile court, be paid from the welfare fund of the county in which the proceedings were held. To reimburse the counties for the costs of providing group foster care for delinquent children and to promote the establishment of suitable group foster homes, the state shall quarterly, from funds appropriated for that purpose, reimburse counties 50 percent of the costs not paid by federal and other available state aids and grants. Reimbursement shall be prorated if the appropriation is insufficient.

The commissioner of corrections shall establish procedures for reimbursement and certify to the commissioner of management and budget each county entitled to receive state aid under the provisions of this subdivision. Upon receipt of a certificate the commissioner of management and budget shall issue a state ~~warrant payment~~ to the county treasurer for the amount due, together with a copy of the certificate prepared by the commissioner of corrections.

Sec. 60. Minnesota Statutes 2018, section 260C.331, subdivision 2, is amended to read:

Subd. 2. **Cost of group foster care.** Whenever a child is placed in a group foster care facility as provided in section 260C.201, subdivision 1, paragraph (b), clause (2) or (3), the cost of providing the care shall, upon certification by the juvenile court, be paid from the welfare fund of the county in which the proceedings were held.

To reimburse the counties for the costs of promoting the establishment of suitable group foster homes, the state shall quarterly, from funds appropriated for that purpose, reimburse counties 50 percent of the costs not paid by federal and other available state aids and grants. Reimbursement shall be prorated if the appropriation is insufficient.

The commissioner of corrections shall establish procedures for reimbursement and certify to the commissioner of management and budget each county entitled to receive state aid under the provisions of this subdivision. Upon receipt of a certificate the commissioner of management and budget shall issue a state ~~warrant~~ payment to the county treasurer for the amount due, together with a copy of the certificate prepared by the commissioner of corrections.

Sec. 61. Minnesota Statutes 2018, section 273.121, subdivision 1, is amended to read:

Subdivision 1. **Notice.** Any county assessor or city assessor having the powers of a county assessor, valuing or classifying taxable real property shall in each year notify those persons whose property is to be included on the assessment roll that year if the person's address is known to the assessor, otherwise the occupant of the property. The notice shall be in writing and shall be sent by ordinary mail at least ten days before the meeting of the local board of appeal and equalization under section 274.01 or the review process established under section 274.13, subdivision 1c. Upon written request by the owner of the property, the assessor may send the notice in electronic form or by electronic mail instead of on paper or by ordinary mail. It shall contain: (1) the market value for the current and prior assessment, (2) the qualifying amount of any improvements under section 273.11, subdivision 16, for the current assessment, (3) the market value subject to taxation after subtracting the amount of any qualifying improvements for the current assessment, (4) the classification of the property for the current and prior assessment, (5) the assessor's office address, and (6) the dates, places, and times set for the meetings of the local board of appeal and equalization, the review process established under section 274.13, subdivision 1c, and the county board of appeal and equalization. If the classification of the property has changed between the current and prior assessments, a specific note to that effect shall be prominently listed on the statement. The commissioner of revenue shall specify the form of the notice. The assessor shall attach to the assessment roll a statement that the notices required by this section have been mailed. Any assessor who is not provided sufficient funds from the assessor's governing body to provide such notices, may make application to the commissioner of revenue to finance such notices. The commissioner of revenue shall conduct an investigation and, if satisfied that the assessor does not have the necessary funds, issue a certification to the commissioner of management and budget of the amount necessary to provide such notices. The commissioner of management and budget shall issue a ~~warrant~~ payment for such amount and shall deduct such amount from any state payment to such county or municipality. The necessary funds to make such payments are hereby appropriated. Failure to receive the notice shall in no way affect the validity of the assessment, the resulting tax, the procedures of any board of review or equalization, or the enforcement of delinquent taxes by statutory means.

Sec. 62. Minnesota Statutes 2018, section 287.08, is amended to read:

**287.08 TAX, HOW PAYABLE; RECEIPTS.**

(a) The tax imposed by sections 287.01 to 287.12 must be paid to the treasurer of any county in this state in which the real property or some part is located at or before the time of filing the mortgage for record. The treasurer shall endorse receipt on the mortgage and the receipt is conclusive proof that the tax has been paid in the amount stated and authorizes any county recorder or registrar of titles to record the mortgage. Its form, in substance, shall be "registration tax hereon of ..... dollars paid." If the mortgage is exempt from taxation the endorsement shall, in substance, be "exempt from registration tax." In either case the receipt must be signed by the treasurer. In case the treasurer is unable to determine whether a claim of exemption should be allowed, the tax must be paid as in the case of a taxable mortgage. For documents submitted electronically, the endorsements and tax amount shall be affixed electronically and no signature by the treasurer will be required. The actual payment method must be arranged in advance between the submitter and the receiving county.



(b) The county treasurer may refund in whole or in part any mortgage registry tax overpayment if a written application by the taxpayer is submitted to the county treasurer within 3-1/2 years from the date of the overpayment. If the county has not issued a denial of the application, the taxpayer may bring an action in Tax Court in the county in which the tax was paid at any time after the expiration of six months from the time that the application was submitted. A denial of refund may be appealed within 60 days from the date of the denial by bringing an action in Tax Court in the county in which the tax was paid. The action is commenced by the serving of a petition for relief on the county treasurer, and by filing a copy with the court. The county attorney shall defend the action. The county treasurer shall notify the treasurer of each county that has or would receive a portion of the tax as paid.

(c) If the county treasurer determines a refund should be paid, or if a refund is ordered by the court, the county treasurer of each county that actually received a portion of the tax shall immediately pay a proportionate share of three percent of the refund using any available county funds. The county treasurer of each county that received, or would have received, a portion of the tax shall also pay their county's proportionate share of the remaining 97 percent of the court-ordered refund on or before the 20th day of the following month using solely the mortgage registry tax funds that would be paid to the commissioner of revenue on that date under section 287.12. If the funds on hand under this procedure are insufficient to fully fund 97 percent of the court-ordered refund, the county treasurer of the county in which the action was brought shall file a claim with the commissioner of revenue under section 16A.48 for the remaining portion of 97 percent of the refund, and shall pay over the remaining portion upon receipt of a ~~warrant~~ payment from the state issued pursuant to the claim.

(d) When any mortgage covers real property located in more than one county in this state the total tax must be paid to the treasurer of the county where the mortgage is first presented for recording, and the payment must be receipted as provided in paragraph (a). If the principal debt or obligation secured by such a multiple county mortgage exceeds \$10,000,000, the nonstate portion of the tax must be remitted by the county treasurer receiving the tax to the commissioner of revenue with the state tax due under section 287.12. The commissioner shall determine the nonstate portion of the tax owed to each county in the ratio that the estimated market value of the real property covered by the mortgage in each county bears to the estimated market value of all the real property in this state described in the mortgage. The commissioner shall pay each county within 60 days of receiving the tax from the county that collected the tax. In making the division and payment the commissioner of revenue shall send a statement giving the description of the real property described in the mortgage and the estimated market value of the part located in each county. For this purpose, the commissioner of revenue may require the treasurer of any county to certify to the former the estimated market value of any tract of real property in any mortgage in the county.

(e) The mortgagor must pay the tax imposed by sections 287.01 to 287.12. The mortgagee may undertake to collect and remit the tax on behalf of the mortgagor. If the mortgagee collects money from the mortgagor to remit the tax on behalf of the mortgagor, the mortgagee has a fiduciary duty to remit the tax on behalf of the mortgagor as to the amount of the tax collected for that purpose and the mortgagor is relieved of any further obligation to pay the tax as to the amount collected by the mortgagee for this purpose.

Sec. 63. Minnesota Statutes 2018, section 297I.10, is amended to read:

**297I.10 SURCHARGE ON PREMIUMS TO RESTORE DEFICIENCY IN SPECIAL FUND.**

Subdivision 1. **Cities of the first class.** (a) The commissioner shall order and direct a surcharge to be collected of two percent of the fire, lightning, and sprinkler leakage gross premiums, less return premiums, on all direct business received by any licensed foreign or domestic fire insurance company on property in a city of the first class, or by its agents for it, in cash or otherwise.

(b) By July 31 and December 31 of each year, the commissioner shall ~~pay~~ issue to each city of the first class a ~~warrant~~ payment for an amount equal to the total amount of the surcharge on the premiums collected within that city since the previous payment.

(c) The treasurer of the city shall place the money received under this subdivision in a special account or fund to defray all or a portion of the employer contribution requirement of public employees police and fire plan coverage for city firefighters.

Subd. 3. **Appropriation.** The amount necessary to make the payments required under this section is appropriated to the commissioner from the general fund.

Subd. 4. **Collection and administration.** The commissioner shall administer the surcharge imposed by this section in the same manner as the taxes imposed by this chapter.

Sec. 64. Minnesota Statutes 2018, section 299C.21, is amended to read:

**299C.21 PENALTY ON LOCAL OFFICER REFUSING INFORMATION.**

If any public official charged with the duty of furnishing to the bureau fingerprint records, biological specimens, reports, or other information required by sections 299C.06, 299C.10, 299C.105, 299C.11, 299C.17, shall neglect or refuse to comply with such requirement, the bureau, in writing, shall notify the state, county, or city officer charged with the issuance of a ~~warrant for~~ the payment of the salary of such official. Upon the receipt of the notice the state, county, or city official shall withhold the issuance of a ~~warrant for~~ the payment of the salary or other compensation accruing to such officer for the period of 30 days thereafter until notified by the bureau that such suspension has been released by the performance of the required duty.

Sec. 65. Minnesota Statutes 2018, section 348.05, is amended to read:

**348.05 COMMISSIONER OF MANAGEMENT AND BUDGET TO ISSUE WARRANT PAYMENT.**

The commissioner of management and budget shall audit all such claims, and, on the first Monday of October, in each year, shall issue a warrant payment to the several claimants for the amount to which each is entitled; but, if the aggregate of compensation due to all such claimants shall exceed the appropriation therefor, the commissioner shall distribute the available amount amongst them pro rata, which distribution shall relieve the state from further obligation to such claimants for the year.

Sec. 66. Minnesota Statutes 2018, section 352.04, subdivision 9, is amended to read:

Subd. 9. **Erroneous deductions, canceled ~~warrants payments~~.** (a) Deductions taken from the salary of an employee for the retirement fund in excess of required amounts must, upon discovery and verification by the department making the deduction, be refunded to the employee.

(b) If a deduction for the retirement fund is taken from a salary ~~warrant or check~~ payment, and the ~~check payment~~ is canceled or the amount of the ~~warrant or check~~ payment returned to the funds of the department making the payment, the sum deducted, or the part of it required to adjust the deductions, must be refunded to the department or institution if the department applies for the refund on a form furnished by the director. The department's payments must likewise be refunded to the department.

(c) If erroneous employee deductions and employer contributions are caused by an error in plan coverage involving the plan and any other plans specified in section 356.99, that section applies. If the employee should have been covered by the plan governed by chapter 352D, 353D, 354B, or 354D, the employee deductions and employer contributions taken in error must be directly transferred to the applicable employee's account in the correct retirement plan, with interest at the applicable monthly rate or rates specified in section 356.59, subdivision 2, compounded annually, from the first day of the month following the month in which coverage should have commenced in the correct defined contribution plan until the end of the month in which the transfer occurs.

Sec. 67. Minnesota Statutes 2018, section 352.05, is amended to read:

**352.05 COMMISSIONER OF MANAGEMENT AND BUDGET TO BE TREASURER OF SYSTEM.**

The commissioner of management and budget is ex officio treasurer of the retirement funds of the system. The general bond to the state shall cover all liability for actions as treasurer of these funds. Funds of the system received by the commissioner of management and budget must be set aside in the state treasury to the credit of the proper fund. The commissioner of management and budget shall deliver to the director copies of all payroll abstracts of the state together with the commissioner of management and budget's ~~warrants~~ payments covering the deductions made on these payroll abstracts for the retirement fund. The director shall have a list made of the commissioner of management and budget's ~~warrants~~ payments. These ~~warrants~~ payments must then be credited to the retirement fund. The commissioner of management and budget shall pay out of this fund only upon abstracts signed by the director, or by the finance officer designated by the director during the disability or the absence of the director from the city of St. Paul, Minnesota. Abstracts for investments may be signed by the executive director of the State Board of Investment.

Sec. 68. Minnesota Statutes 2018, section 352.115, subdivision 12, is amended to read:

Subd. 12. **Death, return of ~~warrants~~ payments.** If at the time of death a retired employee, a disabled employee, or a survivor has in possession commissioner of management and budget's ~~warrants~~ payments covering a retirement annuity, disability benefit or survivor benefit from the retirement fund, in the absence of probate proceedings, and upon the return of the ~~warrants~~ payments for cancellation, payment of the accrued annuity or benefit, shall be made as provided in subdivision 11, or 352.12, subdivision 4. Payments made under this subdivision shall be a bar to recovery by any other person or persons.

Sec. 69. Minnesota Statutes 2018, section 352.12, subdivision 13, is amended to read:

Subd. 13. **Refund, beneficiary.** If upon death a former employee has in possession a commissioner of management and budget's ~~warrant~~ payment which does not exceed \$1,000 covering a refund of accumulated contributions in the retirement fund, in the absence of probate proceedings the commissioner of management and budget's ~~warrant~~ payment may be returned for cancellation, and then upon application made by the last designated beneficiary of the deceased former employee, refund of the accumulated contributions must be paid to the last designated beneficiary. Payments made under this subdivision are a bar to recovery by any other person or persons.

Sec. 70. Minnesota Statutes 2018, section 353.05, is amended to read:

**353.05 CUSTODIAN OF FUNDS.**

The commissioner of management and budget shall be ex officio treasurer of the retirement funds of the association and the general bond of the commissioner of management and budget to the state must be so conditioned as to cover all liability for acts as treasurer of these funds. All money of the association received by the commissioner of management and budget must be set aside in the state treasury to the credit of the proper fund or account. The commissioner of management and budget shall transmit monthly to the executive director a detailed statement of all amounts so received and credited to the funds. Payments out of the funds may only be made ~~on~~ warrants as payments issued by the commissioner of management and budget, upon abstracts signed by the executive director; provided that abstracts for investment may be signed by the executive director of the State Board of Investment.

Sec. 71. Minnesota Statutes 2018, section 353.27, subdivision 7, is amended to read:

Subd. 7. **Adjustment for erroneous receipts or disbursements.** (a) Except as provided in paragraph (b), erroneous employee deductions and erroneous employer contributions and additional employer contributions to the general employees retirement plan of the Public Employees Retirement Association or to the public employees police and fire retirement plan for a person who otherwise does not qualify for membership under this chapter, are considered:

(1) valid if the initial erroneous deduction began before January 1, 1990. Upon determination of the error by the association, the person may continue membership in the association while employed in the same position for which erroneous deductions were taken, or file a written election to terminate membership and apply for a refund upon termination of public service or defer an annuity under section 353.34; or

(2) invalid, if the initial erroneous employee deduction began on or after January 1, 1990. Upon determination of the error, the association shall refund all erroneous employee deductions and all erroneous employer contributions as specified in paragraph (e). No person may claim a right to continued or past membership in the association based on erroneous deductions which began on or after January 1, 1990.

(b) Erroneous deductions taken from the salary of a person who did not qualify for membership in the general employees retirement plan of the Public Employees Retirement Association or in the public employees police and fire retirement plan by virtue of concurrent employment before July 1, 1978, which required contributions to another retirement fund or relief association established for the benefit of officers and employees of a governmental subdivision, are invalid. Upon discovery of the error, allowable service credit for all invalid service is forfeited and, upon termination of public service, the association shall refund all erroneous employee deductions to the person, with interest as determined under section 353.34, subdivision 2, and all erroneous employer contributions without interest to the employer. This paragraph has both retroactive and prospective application.

(c) Adjustments to correct employer contributions and employee deductions taken in error from amounts which are not salary under section 353.01, subdivision 10, must be made as specified in paragraph (e). The period of adjustment must be limited to the fiscal year in which the error is discovered by the association and the immediate two preceding fiscal years.

(d) If there is evidence of fraud or other misconduct on the part of the employee or the employer, the board of trustees may authorize adjustments to the account of a member or former member to correct erroneous employee deductions and employer contributions on invalid salary and the recovery of any overpayments for a period longer than provided for under paragraph (c).

(e) Upon discovery of the receipt of erroneous employee deductions and employer contributions under paragraph (a), clause (2), or paragraph (c), the association must require the employer to discontinue the erroneous employee deductions and erroneous employer contributions reported on behalf of a member. Upon discontinuation, the association must:

(1) for a member, provide a refund in the amount of the invalid employee deductions with interest on the invalid employee deductions at the rate specified under section 353.34, subdivision 2, from the received date of each invalid salary transaction through the date the credit or refund is made;

(2) for a former member who:

(i) is not receiving a retirement annuity or benefit, return the erroneous employee deductions to the former member through a refund with interest at the rate specified under section 353.34, subdivision 2, from the received date of each invalid salary transaction through the date the credit or refund is made; or

(ii) is receiving a retirement annuity or disability benefit, or a person who is receiving an optional annuity or survivor benefit, for whom it has been determined an overpayment must be recovered, adjust the payment amount and recover the overpayments as provided under this section; and

(3) return the invalid employer contributions reported on behalf of a member or former member to the employer by providing a credit against future contributions payable by the employer.

(f) In the event that a salary ~~warrant or check payment~~ payment from which a deduction for the retirement fund was taken has been canceled or the amount of the ~~warrant or check payment~~ payment returned to the funds of the department making the payment, a refund of the sum deducted, or any portion of it that is required to adjust the deductions, must be made to the department or institution.

(g) If the association discovers that a retirement annuity, survivor benefit, or disability benefit has been incorrectly calculated by using invalid service or salary, or due to any erroneous calculation procedure, the association must recalculate the annuity or benefit payable and begin payment of the corrected annuity or benefit effective the first of the month following discovery of the error. Any overpayment resulting from the incorrect calculation must be recovered as provided under subdivision 7b, if the accrual date, or any adjustment in the amount of the annuity or benefit calculated after the accrual date, except adjustments required under section 353.656, subdivision 4, falls within the current fiscal year and the two immediate previous fiscal years.

(h) Notwithstanding the provisions of this subdivision, the association may apply the Revenue Procedures defined in the federal Internal Revenue Service Employee Plans Compliance Resolution System and not issue a refund of erroneous employee deductions and employer contributions or not recover a small overpayment of benefits if the cost to correct the error would exceed the amount of the member refund or overpayment.

(i) Any fees or penalties assessed by the federal Internal Revenue Service for any failure by an employer to follow the statutory requirements for reporting eligible members and salary must be paid by the employer.

Sec. 72. Minnesota Statutes 2018, section 354.42, subdivision 7, is amended to read:

Subd. 7. **Erroneous salary deductions or direct payments.** (a) Any deductions taken from the salary of an employee for the retirement fund in excess of amounts required must be refunded to the employee upon the discovery of the error and after the verification of the error by the employing unit making the deduction. The corresponding excess employer contribution and excess additional employer contribution amounts attributable to the erroneous salary deduction must be refunded to the employing unit.

(b) If salary deductions and employer contributions were erroneously transmitted to the retirement fund and should have been transmitted to the plan covered by chapter 352D, 353D, 354B, or 354D, the executive director must transfer these salary deductions and employer contributions to the account of the appropriate person under the applicable plan. The transfer to the applicable defined contribution plan account must include interest at the rate of 0.71 percent per month, compounded annually, from the first day of the month following the month in which coverage should have commenced in the defined contribution plan until the end of the month in which the transfer occurs.

(c) A potential transfer under paragraph (b) that would cause the plan to fail to be a qualified plan under section 401(a) of the Internal Revenue Code, as amended, must not be made by the executive director. Within 30 days after being notified by the Teachers Retirement Association of an unmade potential transfer under this paragraph, the employer of the affected person must transmit an amount representing the applicable salary deductions and employer contributions, without interest, to the account of the applicable person under the appropriate plan. The retirement association must provide a credit for the amount of the erroneous salary deductions and employer contributions against future contributions from the employer.

(d) If a salary ~~warrant or check payment~~ from which a deduction for the retirement fund was taken has been canceled or the amount of the ~~warrant or if a check payment~~ has been returned to the funds of the employing unit making the payment, a refund of the amount deducted, or any portion of it that is required to adjust the salary deductions, must be made to the employing unit.

(e) Erroneous direct payments of member-paid contributions or erroneous salary deductions that were not refunded during the regular payroll cycle processing must be refunded to the member, plus interest computed using the rate and method specified in section 354.49, subdivision 2.

(f) Any refund under this subdivision that would cause the plan to fail to be a qualified plan under section 401(a) of the Internal Revenue Code, as amended, may not be refunded and instead must be credited against future contributions payable by the employer. The employer is responsible for refunding to the applicable employee any amount that was erroneously deducted from the salary of the employee, with interest as specified in paragraph (e).

(g) If erroneous employee deductions and employer contributions are caused by an error in plan coverage involving the plan and any other plan specified in section 356.99, that section applies.

Sec. 73. Minnesota Statutes 2018, section 354.52, subdivision 4, is amended to read:

Subd. 4. **Reporting and remittance requirements.** An employer shall remit all amounts due to the association and furnish a statement indicating the amount due and transmitted with any other information required by the executive director. If an amount due is not received by the association within 14 calendar days of the payroll ~~warrant payment~~, the employer shall pay interest on the amount due at the applicable annual rate or rates specified in section 356.59, subdivision 4, compounded annually, from the due date until the amount is received by the association. All amounts due and other employer obligations not remitted may be certified to the commissioner of management and budget who shall deduct the amount from any state aid or appropriation amount applicable to the employing unit.

Sec. 74. Minnesota Statutes 2018, section 354.52, subdivision 4b, is amended to read:

Subd. 4b. **Payroll cycle reporting requirements.** An employing unit shall provide the following data to the association for payroll ~~warrants payments~~ on an ongoing basis within 14 calendar days after the date of the payroll ~~warrant payments~~ in a format prescribed by the executive director:

- (1) association member number;
- (2) employer-assigned employee number;
- (3) Social Security number;
- (4) amount of each salary deduction;
- (5) amount of salary as defined in section 354.05, subdivision 35, from which each deduction was made;
- (6) reason for payment;
- (7) the beginning and ending dates of the payroll period covered and the date of actual payment;
- (8) fiscal year of salary earnings;

- (9) total remittance amount including employee, employer, and additional employer contributions;
- (10) reemployed annuitant salary under section 354.44, subdivision 5; and
- (11) other information as may be required by the executive director.

Sec. 75. Minnesota Statutes 2018, section 401.15, subdivision 1, is amended to read:

Subdivision 1. **Certified statements; determinations; adjustments.** Within 60 days of the end of each calendar quarter, participating counties which have received the payments authorized by section 401.14 shall submit to the commissioner certified statements detailing the amounts expended and costs incurred in furnishing the correctional services provided in sections 401.01 to 401.16. Upon receipt of certified statements, the commissioner shall, in the manner provided in sections 401.10 and 401.12, determine the amount each participating county is entitled to receive, making any adjustments necessary to rectify any disparity between the amounts received pursuant to the estimate provided in section 401.14 and the amounts actually expended. If the amount received pursuant to the estimate is greater than the amount actually expended during the quarter, the commissioner may withhold the difference from any subsequent monthly payments made pursuant to section 401.14. Upon certification by the commissioner of the amount a participating county is entitled to receive under the provisions of section 401.14 or of this subdivision the commissioner of management and budget shall thereupon issue a ~~state~~ warrant payment to the chief fiscal officer of each participating county for the amount due together with a copy of the certificate prepared by the commissioner.

Sec. 76. Minnesota Statutes 2018, section 446A.086, subdivision 4, is amended to read:

Subd. 4. **Notifications; payment; appropriation.** (a) After receipt of a notice of a default or potential default in payment of principal or interest in debt obligations covered by this section or an agreement under this section, and after consultation with the governmental unit and the paying agent, and after verification of the accuracy of the information provided, the authority shall notify the commissioner of the potential default. The notice must include a final figure as to the amount due that the governmental unit will be unable to repay on the date due.

(b) Upon receipt of this notice from the authority, the commissioner shall issue a ~~warrant~~ warrant payment and authorize the authority to pay to the bond holders or paying agent for the debt obligation the specified amount on or before the date due. The amounts needed for the purposes of this subdivision are annually appropriated to the authority from the general fund.

Sec. 77. Minnesota Statutes 2018, section 446A.16, subdivision 1, is amended to read:

Subdivision 1. **Functions of commissioner of management and budget.** Except as otherwise provided in this section, money of the authority must be paid to the commissioner of management and budget as agent of the authority and the commissioner shall not commingle the money with other money. The money in the accounts of the authority must be paid out only ~~on warrants drawn~~ by the commissioner of management and budget on requisition of the chair of the authority or of another officer or employee as the authority authorizes. Deposits of the authority's money must, if required by the commissioner or the authority, be secured by obligations of the United States or of the state of a market value equal at all times to the amount of the deposit and all banks and trust companies are authorized to give security for the deposits.

Sec. 78. Minnesota Statutes 2018, section 462A.18, subdivision 1, is amended to read:

Subdivision 1. **Functions of commissioner of management and budget.** All moneys of the agency, except as otherwise authorized or provided in this section, shall be paid to the commissioner of management and budget as agent of the agency, who shall not commingle such moneys with any other moneys. The moneys in such accounts

shall be paid out ~~on warrants drawn~~ by the commissioner on requisition of the chair of the agency or of such other officer or employee as the agency shall authorize to make such requisition. All deposits of such moneys shall, if required by the commissioner or the agency, be secured by obligations of the United States or of the state of a market value equal at all times to the amount of the deposit and all banks and trust companies are authorized to give such security for such deposits.

Sec. 79. Minnesota Statutes 2018, section 475A.04, subdivision 1, is amended to read:

Subdivision 1. **Procedure.** In the event that funds sufficient to pay all of the principal and interest due on any guaranteed bond are not in the hands of the municipal treasurer or the paying agent at least 15 days before the due date, the treasurer or agent shall report the amount of the deficiency to the paying agent and the auditor who shall grant a loan to the issuer in this amount and shall certify to the issuer, the paying agent, and the auditor and treasurer of each county in which property subject to taxation by the issuer is situated, the amount of the loan and interest to accrue thereon to the due date of the loan, and the commissioner of management and budget shall issue a ~~warrant~~ payment for the principal amount and shall remit it to the paying agent on or before the due date. If the municipal treasurer fails to deposit funds with the paying agent sufficient to pay all principal and interest due on any guaranteed bond on any date, without having previously given the notice herein required, the paying agent may report the amount of the deficiency to the commissioner of management and budget, who shall forthwith grant a loan to the issuer for this amount plus interest to accrue thereon for one month at the rate represented by the coupons then due, and the loan shall be certified and remitted as provided above. The paying agent may advance its own funds for the payment of any guaranteed bonds and interest due for which it has not received sufficient funds from the municipality, and may contract with the municipality to make such advances, and shall be entitled to reimbursement therefor from the proceeds of the loan, with interest at the rate represented by the coupons due. The issuing municipality shall give a receipt to the commissioner of management and budget for the amount of the loan and interest.

Sec. 80. Minnesota Statutes 2018, section 525.841, is amended to read:

**525.841 ESCHEAT RETURNED.**

In all such cases the commissioner of management and budget shall be furnished with a certified copy of the court's order assigning the escheated property to the persons entitled thereto, and upon notification of payment of the estate tax, the commissioner of management and budget shall ~~draw a warrant~~ issue a payment or execute a proper conveyance to the persons designated in such order. In the event any escheated property has been sold pursuant to sections 11A.04, clause (9), and 11A.10, subdivision 2, or 16B.281 to 16B.287, then the ~~warrant~~ payment shall be for the appraised value as established during the administration of the decedent's estate. There is hereby annually appropriated from any moneys in the state treasury not otherwise appropriated an amount sufficient to make payment to all such designated persons. No interest shall be allowed on any amount paid to such persons."

Delete the title and insert:

"A bill for an act relating to state government; making technical changes by updating and deleting outdated budget-related language; amending Minnesota Statutes 2018, sections 15.0596; 15.191, subdivisions 1, 3; 16A.065; 16A.13, subdivision 2a; 16A.134; 16A.15, subdivision 3; 16A.17, subdivision 5; 16A.272, subdivision 3; 16A.40; 16A.42, subdivisions 2, 4, by adding a subdivision; 16A.56; 16A.671, subdivision 1; 16B.37, subdivision 4; 16D.03, subdivision 2; 16D.09, subdivision 1; 21.116; 43A.30, subdivision 2; 43A.49; 49.24, subdivisions 13, 16; 69.031, subdivision 1; 80A.65, subdivision 9; 84A.23, subdivision 4; 84A.33, subdivision 4; 84A.40; 84A.52; 88.12, subdivision 1; 94.522; 94.53; 116J.64, subdivision 7; 126C.55, subdivisions 2, 9; 126C.68, subdivision 3; 126C.69, subdivision 14; 127A.34, subdivision 1; 127A.40; 136F.46, subdivision 1; 136F.70, subdivision 3; 162.08, subdivisions 10, 11; 162.14, subdivisions 4, 5; 162.18, subdivision 4; 162.181, subdivision 4; 163.051, subdivision 3; 176.181, subdivision 2; 176.581; 176.591, subdivision 3; 192.55; 196.052; 198.16; 237.30; 241.13, subdivision 1;



244.19, subdivision 7; 256B.20; 260B.331, subdivision 2; 260C.331, subdivision 2; 273.121, subdivision 1; 287.08; 297I.10; 299C.21; 348.05; 352.04, subdivision 9; 352.05; 352.115, subdivision 12; 352.12, subdivision 13; 353.05; 353.27, subdivision 7; 354.42, subdivision 7; 354.52, subdivisions 4, 4b; 401.15, subdivision 1; 446A.086, subdivision 4; 446A.16, subdivision 1; 462A.18, subdivision 1; 475A.04, subdivision 1; 525.841."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Carlson, L., from the Committee on Ways and Means to which was referred:

H. F. No. 1975, A bill for an act relating to state government; modifying best and final offer in the state solicitation process; amending Minnesota Statutes 2018, section 16C.251.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2018, section 16C.10, subdivision 2, is amended to read:

Subd. 2. **Emergency acquisition.** The solicitation process described in this chapter and chapter 16B is not required in emergencies. In emergencies, the commissioner may make or authorize any purchases necessary for the design, construction, repair, rehabilitation, and improvement of a ~~state-owned~~ publicly owned structure or may make or authorize an agency to do so and may purchase, or may authorize an agency to purchase, any purchases of goods, services, or utility services directly for immediate use.

Sec. 2. Minnesota Statutes 2018, section 16C.251, is amended to read:

**16C.251 BEST AND FINAL OFFER.**

A "best and final offer" solicitation process may not be used for building and construction contracts awarded based on competitive bids."

Delete the title and insert:

"A bill for an act relating to state government; modifying the state solicitation process; amending Minnesota Statutes 2018, sections 16C.10, subdivision 2; 16C.251."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 2069, A bill for an act relating to human services; establishing the Community Competency Restoration Task Force; requiring reports; appropriating money.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Government Operations.

The report was adopted.

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 2249, A bill for an act relating to cosmetology; repealing requirements for the regulation of salons and salon managers for licensed practitioners who only provide eyelash extensions; amending Minnesota Statutes 2018, sections 155A.23, subdivisions 8, 18; 155A.27, subdivision 1; 155A.271, subdivision 1; 155A.29, subdivisions 1, 6; repealing Minnesota Statutes 2018, section 155A.23, subdivision 4b.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2018, section 155A.23, subdivision 8, is amended to read:

Subd. 8. **Manager.** A "manager" is any person who is a cosmetologist, esthetician, advanced practice esthetician, or nail technician practitioner, ~~or eyelash technician practitioner,~~ and who has a manager license and provides any services under that license, as defined in subdivision 3.

Sec. 2. Minnesota Statutes 2018, section 155A.29, subdivision 1, is amended to read:

Subdivision 1. **Licensing.** A person must not offer cosmetology services for compensation unless the services are provided by a licensee in a licensed salon or as otherwise provided in this section. Each salon must be licensed as a cosmetology salon, a nail salon, esthetician salon, or advanced practice esthetician salon, ~~or eyelash extension salon.~~ A salon may hold more than one type of salon license.

Sec. 3. Minnesota Statutes 2018, section 155A.29, subdivision 6, is amended to read:

Subd. 6. **Exemption.** The facility in which a person provides threading or eyelash extension services and no other services requiring licensure by this chapter is exempt from the requirement for a salon license under this section."

Correct the title numbers accordingly

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

The report was adopted.

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 2252, A bill for an act relating to human services; modifying Nonemergency Medical Transportation Advisory Committee membership; amending Minnesota Statutes 2018, section 256B.0625, subdivision 18d.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 2550, A bill for an act relating to public safety; adding security screening systems to ionizing radiation-producing equipment; modifying jail inmate transfer provisions; establishing guidelines for the use of administrative and disciplinary segregation in state correctional institutions; extending retention of certain criminal gang investigative data; establishing a local correctional officers discipline procedures act; reestablishing the ombudsman for corrections; establishing the powers and duties of the ombudsman; increasing the number of correctional officers; authorizing a jail to share certain inmate mental illness information with a local county social services agency; requiring state and local jail and prison inmates to be housed in publicly owned and operated jails and prisons; prohibiting the state and counties from contracting with private prisons; establishing pilot project to decrease risk of recidivism among incarcerated women; establishing pilot program to address mental health among correctional officers and inmates in state correctional facilities; establishing a Peace Officer Excellence Task Force; establishing a task force on the implementation of dosage probation; requiring reports; appropriating money; amending Minnesota Statutes 2018, sections 13.851, by adding a subdivision; 15A.0815, subdivision 3; 144.121, subdivision 1a, by adding a subdivision; 151.37, subdivision 12; 241.01, subdivision 3a; 241.025, subdivisions 1, 2; 241.75, subdivision 2; 242.192; 243.48, subdivision 1; 299C.091, subdivision 5; 631.412; 641.15, subdivision 3a; proposing coding for new law in Minnesota Statutes, chapters 241; 243; 641; repealing Minnesota Statutes 2018, section 401.13.

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

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with House Concurrent Resolution No. 1, H. F. No. 2550 was re-referred to the Committee on Rules and Legislative Administration.

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 2602, A bill for an act relating to data practices; establishing a Legislative Commission on Intelligence and Technology; proposing coding for new law in Minnesota Statutes, chapter 3.

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

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with House Concurrent Resolution No. 1, H. F. No. 2602 was re-referred to the Committee on Rules and Legislative Administration.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 1397, 1657, 1733, 1957, 1974, 1975 and 2252 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. No. 1618 was read for the second time.

**INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Sundin, Layman and Lislegard introduced:

H. F. No. 2716, A bill for an act relating to higher education; modifying the process for electing members of the Board of Regents of the University of Minnesota; providing for recommendations by congressional district legislative delegation; providing for weighted election of certain candidates; amending Minnesota Statutes 2018, sections 137.0245, subdivisions 1, 4; 137.0246, subdivision 2, by adding subdivisions.

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

Grossell introduced:

H. F. No. 2717, A bill for an act relating to state lands; providing for exchange of state land.

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

Daniels introduced:

H. F. No. 2718, A bill for an act relating to education; modifying board requirements for the Minnesota State Academies; amending Minnesota Statutes 2018, section 125A.62, subdivision 1.

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

Kresha introduced:

H. F. No. 2719, A bill for an act relating to child protection; amending certain definitions applicable to the reporting of maltreatment of minors statute; codifying and directing the commissioner of human services to implement certain recommendations from the March 2015 Governor's Task Force on the Protection of Children Final Report and Recommendations; amending Minnesota Statutes 2018, section 626.556, subdivisions 2, 3d, 7a, 10, 10e.

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

Poppe introduced:

H. F. No. 2720, A bill for an act relating to agriculture; making policy and technical changes to various agricultural provisions including provisions related to aquaculture, pesticide control, food handlers, eggs, milk, cheese, incentive programs, loan programs, soil, agriculture basins, and other agriculture provisions; amending Minnesota Statutes 2018, sections 17.494; 17.4982, by adding subdivisions; 18B.34, subdivision 5; 25.33, subdivision 8; 28A.04, subdivision 1; 28A.05; 28A.08, subdivision 3; 29.26; 32D.13, by adding a subdivision; 32D.20, subdivision 2; 32D.22; 34A.11, subdivision 7; 41A.15, subdivision 10, by adding a subdivision; 41A.16, subdivisions 1, 2, 4; 41A.17, subdivisions 1, 2, 3; 41A.18, subdivisions 1, 3; 41B.02, subdivision 10a; 41B.0391, subdivision 1; 41B.047, subdivisions 1, 3; 41B.049, subdivision 5; 41B.055, subdivision 3; 41B.056, subdivision 2; 41B.057, subdivision 3; 116.0714; proposing coding for new law in Minnesota Statutes, chapters 17; 103F; repealing Minnesota Statutes 2018, section 41A.15, subdivisions 2a, 2b.

The bill was read for the first time and referred to the Agriculture and Food Finance and Policy Division.

Zerwas introduced:

H. F. No. 2721, A bill for an act relating to state government; establishing a Legislative Commission on Cybersecurity; providing legislative appointments; proposing coding for new law in Minnesota Statutes, chapter 3.

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

Kiel introduced:

H. F. No. 2722, A bill for an act relating to health; establishing assisted living establishment licensure; providing penalties; modifying the Board of Examiners for Nursing Home Administrators; amending Minnesota Statutes 2018, sections 144.057, subdivision 1; 144A.01, subdivision 3, by adding a subdivision; 144A.18; 144A.19, subdivision 1; 144A.20, subdivision 1, by adding a subdivision; 144A.21; 144A.23; 144A.24; 144A.251; 144A.2511; 144A.252; 144A.26; 144A.27; 152.34; proposing coding for new law as Minnesota Statutes, chapter 144I.

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

Ecklund and Sundin introduced:

H. F. No. 2723, A bill for an act relating to capital investment; appropriating money for the Mesabi Trailhead and roadway improvements in Ely; authorizing the sale and issuance of state bonds.

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

Marquart introduced:

H. F. No. 2724, A bill for an act relating to capital investment; appropriating money to repurpose the Twin Valley Living Center for a veterans home; authorizing the sale and issuance of state bonds.

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

Vang; Nelson, M., and Klevorn introduced:

H. F. No. 2725, A bill for an act relating to elections; providing for establishment of single-member school board election districts in Independent School District No. 279, Osseo.

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

Olson, Sandstede, Howard, Wazlawik and Klevorn introduced:

H. F. No. 2726, A bill for an act relating to human services; establishing mental health grants; appropriating money; amending Minnesota Statutes 2018, sections 145.908, subdivisions 1, 2; 245.4889, subdivision 1, by adding a subdivision.

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

Mahoney introduced:

H. F. No. 2727, A bill for an act relating to public safety; appropriating money for a grant to St. Paul to develop patrol stewards.

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

Kunesh-Podein, Sandstede, O'Driscoll, Swedzinski and Christensen introduced:

H. F. No. 2728, A bill for an act relating to state lands; modifying prior appropriations; amending Laws 2016, chapter 189, article 3, section 6, as amended; Laws 2017, chapter 93, article 1, section 9.

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

Sandstede, Ecklund and Lislegard introduced:

H. F. No. 2729, A bill for an act relating to capital investment; appropriating money for a public safety facility in Chisholm; authorizing the sale and issuance of state bonds.

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

Wolgamott, Klevorn and Nornes introduced:

H. F. No. 2730, A bill for an act relating to higher education; creating programs in the Minnesota State Colleges and Universities to increase open textbook usage; requiring reports; appropriating money; amending Minnesota Statutes 2018, section 136F.58, subdivision 3, by adding subdivisions.

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

Mahoney; Her; Xiong, J.; Lee and Xiong, T., introduced:

H. F. No. 2731, A bill for an act relating to economic development; appropriating money for a grant to the Hmong Chamber of Commerce; requiring a report.

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

Franson, Zerwas, Johnson, Gruenhagen, Robbins, Layman, Davids, Nash, O'Driscoll, McDonald, Vogel, Koznick, Anderson, Nornes, Petersburg, Grossell, Gunther, Backer and Hamilton introduced:

H. F. No. 2732, A bill for an act relating to human services; providing for public assistance and child care assistance program fraud prevention; establishing penalties for certain theft offenses; modifying eligibility for early learning scholarships; requiring a report; appropriating money; amending Minnesota Statutes 2018, sections 13.46, subdivisions 2, 3; 13.461, subdivision 28; 119B.02, subdivision 6, by adding a subdivision; 119B.09, subdivisions 4, 7, 9a; 119B.125, subdivisions 6, 9, by adding subdivisions; 119B.13, subdivisions 6, 7; 124D.142; 124D.165, subdivisions 2, 4, by adding a subdivision; 245.095; 245A.07, subdivisions 2, 2a, 3; 245E.03, subdivision 2; 245E.04; 256.98, subdivision 8, by adding a subdivision; 256.984, subdivision 1; 256B.02, by adding a subdivision; 256B.056, subdivisions 3, 4; 256J.08, subdivision 47; 256J.21, subdivision 2; 256L.01, subdivision 5; 256P.04, subdivision 4; 256P.06, subdivision 3; 609.27, subdivision 2; 609.48, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 245A; 256; 609; proposing coding for new law as Minnesota Statutes, chapter 245I.

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

Anderson and Franson introduced:

H. F. No. 2733, A bill for an act relating to capital investment; appropriating money for expanding the Runestone Community Center in Alexandria; authorizing the sale and issuance of state bonds.

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

Anderson and Backer introduced:

H. F. No. 2734, A bill for an act relating to capital investment; appropriating money for asset preservation of the Central Square Center in Glenwood; authorizing the sale and issuance of state bonds.

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

Winkler, Gomez and Hamilton introduced:

H. F. No. 2735, A bill for an act relating to transportation; modifying requirements for a noncompliant driver's license or Minnesota identification card and making related changes, including on eligibility, proof of lawful presence, primary and secondary documentation, discrimination, voter registration, and data practices; making technical changes; appropriating money; amending Minnesota Statutes 2018, sections 13.6905, by adding a subdivision; 171.04, subdivision 5; 171.06, subdivision 3, by adding subdivisions; 171.07, subdivisions 1, 3; 171.12, subdivisions 7a, 9, by adding subdivisions; 201.061, subdivision 3; 363A.28, by adding a subdivision; repealing Minnesota Statutes 2018, section 171.015, subdivision 7.

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

Murphy; Ecklund; Sandstede; Nelson, M.; Sundin; Schultz; Lislegard; Hansen; Carlson, L.; Kunesh-Podein; Poppe and Hornstein introduced:

H. F. No. 2736, A bill for an act relating to iron range resources and rehabilitation; creating the Tom Rukavina community college scholarship fund; transferring money; allowing county scholarship funds to receive money from this new fund; amending Minnesota Statutes 2018, section 298.2215, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 298.

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

Lien introduced:

H. F. No. 2737, A bill for an act relating to natural resources; appropriating money for Red River Basin Commission.

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

Lee and Her introduced:

H. F. No. 2738, A bill for an act relating to economic development; establishing a headwaters community food and water economic resiliency program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

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

Urdahl introduced:

H. F. No. 2739, A bill for an act relating to arts and cultural heritage; appropriating money for Grove City Mill.

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

Fischer, Morrison, Persell and Claflin introduced:

H. F. No. 2740, A bill for an act relating to environment; appropriating money to reduce chloride pollution.

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

Elkins introduced:

H. F. No. 2741, A bill for an act relating to state government; motor vehicles; modifying various provisions governing motor vehicle titling and registration; amending Minnesota Statutes 2018, sections 80E.13; 168.013, subdivisions 1a, 6; 168.27, by adding subdivisions; 168.301, subdivision 3; 168.33, subdivision 8a; 168.346, subdivision 1; 168A.12, subdivision 2; 168A.17, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 168A.

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



Youakim introduced:

H. F. No. 2742, A bill for an act relating to education finance; increasing funding for the community education revenue program; amending Minnesota Statutes 2018, section 124D.20, subdivision 3.

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

Lesch introduced:

H. F. No. 2743, A bill for an act relating to courts; increasing certain court-related fees; establishing a cybersecurity fee; amending Minnesota Statutes 2018, section 357.021, subdivision 2, by adding a subdivision.

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

### **MESSAGES FROM THE SENATE**

The following message was received from the Senate:

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 50, A bill for an act relating to transportation; prohibiting use of cell phones while driving under specified circumstances; requiring a study of traffic stops; requiring a report; appropriating money; amending Minnesota Statutes 2018, sections 169.011, subdivision 94; 169.475.

The Senate has appointed as such committee:

Senators Newman, Jasinski and Carlson.

Said House File is herewith returned to the House.

CAL R. LUDEMAN, Secretary of the Senate

### **REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION**

Winkler from the Committee on Rules and Legislative Administration, pursuant to rules 1.21 and 3.33, designated the following bill to be placed on the Calendar for the Day for Thursday, March 28, 2019 and established a prefiling requirement for amendments offered to the following bill:

S. F. No. 307.

**MOTIONS AND RESOLUTIONS**

Kunesh-Podein moved that the name of Brand be added as an author on H. F. No. 26. The motion prevailed.

Sundin moved that the name of Stephenson be added as an author on H. F. No. 119. The motion prevailed.

Zerwas moved that the name of Cantrell be added as an author on H. F. No. 190. The motion prevailed.

Dettmer moved that the name of Robbins be added as an author on H. F. No. 204. The motion prevailed.

Dettmer moved that the name of Robbins be added as an author on H. F. No. 205. The motion prevailed.

Kunesh-Podein moved that the name of Bierman be added as an author on H. F. No. 247. The motion prevailed.

Lien moved that the names of Erickson and Boe be added as authors on H. F. No. 293. The motion prevailed.

Dettmer moved that the name of Boe be added as an author on H. F. No. 294. The motion prevailed.

Albright moved that the names of Wolgamott, Edelson, Huot and Cantrell be added as authors on H. F. No. 306. The motion prevailed.

Edelson moved that the name of Cantrell be added as an author on H. F. No. 331. The motion prevailed.

Becker-Finn moved that the name of Xiong, J., be added as an author on H. F. No. 347. The motion prevailed.

Becker-Finn moved that the name of Cantrell be added as an author on H. F. No. 359. The motion prevailed.

Franson moved that the name of Bahr be added as an author on H. F. No. 373. The motion prevailed.

Noor moved that the name of Kunesh-Podein be added as an author on H. F. No. 434. The motion prevailed.

Franson moved that the name of Theis be added as an author on H. F. No. 445. The motion prevailed.

Urdahl moved that the name of Demuth be added as an author on H. F. No. 478. The motion prevailed.

Dettmer moved that the name of Bernardy be added as an author on H. F. No. 492. The motion prevailed.

Schultz moved that the name of Lippert be added as an author on H. F. No. 533. The motion prevailed.

Hausman moved that the name of Lippert be added as an author on H. F. No. 601. The motion prevailed.

Wolgamott moved that the name of Lillie be added as an author on H. F. No. 622. The motion prevailed.

Loeffler moved that the name of Kiel be added as an author on H. F. No. 632. The motion prevailed.

Pelowski moved that the name of Davids be added as an author on H. F. No. 682. The motion prevailed.

Lee moved that the name of Bierman be added as an author on H. F. No. 721. The motion prevailed.

Mann moved that the name of Bierman be added as an author on H. F. No. 728. The motion prevailed.

Mariani moved that the name of Edelson be added as an author on H. F. No. 739. The motion prevailed.

Mann moved that the names of Xiong, J., and Daniels be added as authors on H. F. No. 748. The motion prevailed.

Loeffler moved that the name of Masin be added as an author on H. F. No. 763. The motion prevailed.

Huot moved that the name of Kiel be added as an author on H. F. No. 764. The motion prevailed.

Becker-Finn moved that the name of Gomez be added as an author on H. F. No. 795. The motion prevailed.

Heinrich moved that the name of Lillie be added as an author on H. F. No. 810. The motion prevailed.

Lien moved that the name of Bierman be added as an author on H. F. No. 840. The motion prevailed.

Wolgamott moved that the name of Theis be added as an author on H. F. No. 869. The motion prevailed.

Morrison moved that the name of Lippert be added as an author on H. F. No. 909. The motion prevailed.

Xiong, T., moved that the name of Bierman be added as an author on H. F. No. 913. The motion prevailed.

Richardson moved that the name of Gomez be added as an author on H. F. No. 928. The motion prevailed.

Richardson moved that the name of Gomez be added as an author on H. F. No. 929. The motion prevailed.

Kunesh-Podein moved that the names of Schomacker and Sandstede be added as authors on H. F. No. 930. The motion prevailed.

Dauids moved that the name of Gomez be added as an author on H. F. No. 952. The motion prevailed.

Edelson moved that the name of Moran be added as an author on H. F. No. 960. The motion prevailed.

Persell moved that the name of Fischer be added as an author on H. F. No. 973. The motion prevailed.

Bernardy moved that the names of Bierman and Vang be added as authors on H. F. No. 988. The motion prevailed.

Fischer moved that the name of Vang be added as an author on H. F. No. 1007. The motion prevailed.

Edelson moved that the name of Moran be added as an author on H. F. No. 1036. The motion prevailed.

Cantrell moved that the names of Lippert and Jurgens be added as authors on H. F. No. 1043. The motion prevailed.

Loeffler moved that the name of Masin be added as an author on H. F. No. 1046. The motion prevailed.

Persell moved that the name of Davids be added as an author on H. F. No. 1063. The motion prevailed.

Elkins moved that the name of Richardson be added as an author on H. F. No. 1095. The motion prevailed.

Sauke moved that the name of Lillie be added as an author on H. F. No. 1112. The motion prevailed.

Pryor moved that the name of Xiong, J., be added as an author on H. F. No. 1132. The motion prevailed.

Dehn moved that the name of Ecklund be added as an author on H. F. No. 1139. The motion prevailed.

Tabke moved that the name of Lippert be added as an author on H. F. No. 1142. The motion prevailed.

Huot moved that the name of Lippert be added as an author on H. F. No. 1143. The motion prevailed.

Tabke moved that the name of Lee be added as an author on H. F. No. 1156. The motion prevailed.

Freiberg moved that the name of Cantrell be added as an author on H. F. No. 1166. The motion prevailed.

Carlson, A., moved that the name of Lillie be added as an author on H. F. No. 1208. The motion prevailed.

Schultz moved that the name of Elkins be added as an author on H. F. No. 1225. The motion prevailed.

Stephenson moved that the name of Lien be added as an author on H. F. No. 1253. The motion prevailed.

Murphy moved that the names of Bierman and Demuth be added as authors on H. F. No. 1282. The motion prevailed.

Considine moved that the name of Masin be added as an author on H. F. No. 1298. The motion prevailed.

Fischer moved that the name of Becker-Finn be added as an author on H. F. No. 1327. The motion prevailed.

Hassan moved that the name of Bierman be added as an author on H. F. No. 1330. The motion prevailed.

Lien moved that the names of Pryor and Bierman be added as authors on H. F. No. 1340. The motion prevailed.

Claflin moved that the name of Lippert be added as an author on H. F. No. 1355. The motion prevailed.

Kunesh-Podein moved that the name of Gomez be added as an author on H. F. No. 1380. The motion prevailed.

Koegel moved that the name of Lippert be added as an author on H. F. No. 1394. The motion prevailed.

Kunesh-Podein moved that the name of Dettmer be added as an author on H. F. No. 1494. The motion prevailed.

Kunesh-Podein moved that the name of Dettmer be added as an author on H. F. No. 1495. The motion prevailed.

Schultz moved that the name of Persell be added as an author on H. F. No. 1529. The motion prevailed.

Morrison moved that the name of Gomez be added as an author on H. F. No. 1535. The motion prevailed.

Klevorn moved that the name of Edelson be added as an author on H. F. No. 1605. The motion prevailed.

Claflin moved that the name of Tabke be added as an author on H. F. No. 1607. The motion prevailed.

Wolgamott moved that the names of Xiong, J., and Brand be added as authors on H. F. No. 1615. The motion prevailed.

Fischer moved that the name of Torkelson be added as an author on H. F. No. 1624. The motion prevailed.

Tabke moved that the name of Becker-Finn be added as an author on H. F. No. 1630. The motion prevailed.

Schultz moved that the name of Acomb be added as an author on H. F. No. 1659. The motion prevailed.

Schultz moved that the name of Wolgamott be added as an author on H. F. No. 1662. The motion prevailed.

Stephenson moved that the name of Heinrich be added as an author on H. F. No. 1756. The motion prevailed.

Youakim moved that the name of Bierman be added as an author on H. F. No. 1782. The motion prevailed.

Richardson moved that the names of Lee and Xiong, J., be added as authors on H. F. No. 1785. The motion prevailed.

Ecklund moved that the names of Layman and Neu be added as authors on H. F. No. 1839. The motion prevailed.

Lillie moved that the names of Wolgamott and Kunesh-Podein be added as authors on H. F. No. 1863. The motion prevailed.

Lesch moved that the name of Vang be added as an author on H. F. No. 1941. The motion prevailed.

Noor moved that the name of Gomez be added as an author on H. F. No. 1981. The motion prevailed.

Mann moved that the name of Kunesh-Podein be added as an author on H. F. No. 2036. The motion prevailed.

Brand moved that the name of Bierman be added as an author on H. F. No. 2040. The motion prevailed.

Hansen moved that the names of Fischer, Persell, Becker-Finn, Sandell, Wagenius, Lee and Heintzeman be added as authors on H. F. No. 2067. The motion prevailed.

Hansen moved that the name of Becker-Finn be added as an author on H. F. No. 2070. The motion prevailed.

Moran moved that the name of Bierman be added as an author on H. F. No. 2114. The motion prevailed.

Freiberg moved that the name of Gomez be added as an author on H. F. No. 2152. The motion prevailed.

Albright moved that the name of Pierson be added as an author on H. F. No. 2156. The motion prevailed.

Liebling moved that the name of Bierman be added as an author on H. F. No. 2184. The motion prevailed.

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

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

Mariani moved that the name of Olson be added as an author on H. F. No. 2341. The motion prevailed.

Becker-Finn moved that the name of McDonald be added as an author on H. F. No. 2386. The motion prevailed.

Moran moved that the name of Bierman be added as an author on H. F. No. 2415. The motion prevailed.

Lillie moved that the name of Dehn be added as an author on H. F. No. 2433. The motion prevailed.

Scott moved that the name of Haley be added as an author on H. F. No. 2453. The motion prevailed.

Scott moved that the name of Haley be added as an author on H. F. No. 2462. The motion prevailed.

Sundin moved that the name of Jurgens be added as an author on H. F. No. 2467. The motion prevailed.

Hansen moved that the name of Lee be added as an author on H. F. No. 2470. The motion prevailed.

Nornes moved that the names of Backer and Lien be added as authors on H. F. No. 2486. The motion prevailed.

Pierson moved that the names of Masin, Noor, Davnie, Sandstede, Bierman, Zerwas and Ecklund be added as authors on H. F. No. 2500. The motion prevailed.

Schultz moved that the names of Cantrell and Acomb be added as authors on H. F. No. 2525. The motion prevailed.

Hausman moved that the name of Bierman be added as an author on H. F. No. 2526. The motion prevailed.

Sandell moved that the names of Moller and Stephenson be added as authors on H. F. No. 2531. The motion prevailed.

Bernardy moved that the names of Christensen and Bahner be added as authors on H. F. No. 2533. The motion prevailed.

Bernardy moved that the name of Carlson, L., be added as an author on H. F. No. 2551. The motion prevailed.

Robbins moved that the name of West be added as an author on H. F. No. 2565. The motion prevailed.

Lesch moved that the name of Bahner be added as an author on H. F. No. 2602. The motion prevailed.

Heintzeman moved that the name of Poston be added as an author on H. F. No. 2609. The motion prevailed.

Haley moved that the names of Bennett and Drazkowski be added as authors on H. F. No. 2613. The motion prevailed.

Gomez moved that the name of Zerwas be added as an author on H. F. No. 2627. The motion prevailed.

Edelson moved that the name of Albright be added as an author on H. F. No. 2640. The motion prevailed.

Lillie moved that the name of Dehn be added as an author on H. F. No. 2654. The motion prevailed.

Fischer moved that the name of Sandell be added as an author on H. F. No. 2657. The motion prevailed.

Hamilton moved that the names of Lillie, Baker and Fischer be added as authors on H. F. No. 2660. The motion prevailed.

Lesch moved that the name of Hausman be added as an author on H. F. No. 2661. The motion prevailed.

Elkins moved that the name of Demuth be added as an author on H. F. No. 2664. The motion prevailed.

Koegel moved that the name of Stephenson be added as an author on H. F. No. 2672. The motion prevailed.

Stephenson moved that the name of Kresha be added as an author on H. F. No. 2674. The motion prevailed.

Clafin moved that the names of Becker-Finn and Persell be added as authors on H. F. No. 2676. The motion prevailed.

Vang moved that the name of Becker-Finn be added as an author on H. F. No. 2699. The motion prevailed.

Loeffler moved that the names of Dehn, Robbins, Lillie, Klevorn and Carlson, L., be added as authors on H. F. No. 2707. The motion prevailed.

Loeffler moved that the names of Dehn; Hamilton; Liebling; Klevorn; Carlson, L., and Becker-Finn be added as authors on H. F. No. 2708. The motion prevailed.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following appointments and changes in committee assignments:

Energy and Climate Finance and Policy Division: Add the name of Nelson, N.

Environment and Natural Resources Finance Division: Delete the name of Neu and add the name of Nelson, N.

Government Operations: Delete the name of Pelowski and add the name of Becker-Finn.

Jobs and Economic Development Finance Division: Add the name of Baker.

Labor: Add the name of Nelson, N.

## ADJOURNMENT

Winkler moved that when the House adjourns today it adjourn until 3:30 p.m., Thursday, March 28, 2019. The motion prevailed.

Winkler moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 3:30 p.m., Thursday, March 28, 2019.

PATRICK D. MURPHY, Chief Clerk, House of Representatives