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# HOUSE FILE NO. 953

## *FIRST COMMITTEE ENGROSSMENT*

February 15, 2007

Authored by Kahn and DeLaForest

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

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*Referred by Chair to State Government Finance Division.*

March 29, 2007

*Returned to the Committee on Finance as Amended.*

### A bill for an act

1.1 relating to government operations; appropriating money for the general legislative  
1.2 and administrative expenses of state government; regulating state and local  
1.3 government operations; establishing the Minnesota Office on Ethnic Heritage  
1.4 and New Americans and the Minnesota Legislative Commission on Terrorism  
1.5 and Disaster Preparedness; creating the position of poet laureate; defining  
1.6 domestic partner; ratifying labor agreements and compensation plans; providing  
1.7 for continuing appropriations in certain circumstances; providing compensation  
1.8 for a period of partial government shutdown; creating a trust for postemployment  
1.9 benefits; regulating elections and voter registration; establishing a gratuity  
1.10 payment for certain Teacher Retirement Association members; authorizing  
1.11 rulemaking; amending Minnesota Statutes 2006, sections 3.85, subdivision 3;  
1.12 3.9741, subdivision 1; 5.12, subdivision 1; 6.47; 6.51; 6.54; 6.55; 6.551; 6.57;  
1.13 6.59; 6.60; 6.62, subdivision 2; 6.63; 6.64; 6.65; 6.66; 6.67; 6.68; 6.70; 6.71;  
1.14 6.715, by adding a subdivision; 6.76; 13.605, subdivision 1; 15B.17, subdivision  
1.15 1; 16A.103, subdivision 1e; 16A.11, by adding a subdivision; 16A.1286,  
1.16 subdivision 2; 16B.35, subdivision 1; 16C.02, subdivisions 4, 12, 14, by adding  
1.17 subdivisions; 16C.03, subdivisions 2, 3, 4, 8, 16, by adding subdivisions;  
1.18 16C.05, subdivisions 1, 2; 16C.08, subdivisions 2, 4, by adding subdivisions;  
1.19 16C.10, subdivision 7; 16C.16, subdivision 5; 16C.26; 16C.27, subdivision 1;  
1.20 16C.28; 37.06; 43A.02, by adding a subdivision; 43A.24, subdivision 1; 43A.49;  
1.21 103C.305, subdivision 3; 103D.355; 103D.811, subdivision 3; 103E.505,  
1.22 subdivision 5; 116A.13, subdivision 5; 123B.52, subdivision 1, by adding a  
1.23 subdivision; 160.17, by adding a subdivision; 160.262, by adding a subdivision;  
1.24 161.1419, subdivision 8; 161.32, by adding a subdivision; 161.3412, subdivision  
1.25 1; 161.38, subdivision 4; 181.9413; 200.02, subdivisions 7, 23; 201.016,  
1.26 subdivision 1a; 201.054, subdivision 1; 201.056; 201.061, subdivisions 1, 3,  
1.27 4, by adding a subdivision; 201.071, subdivisions 1, 3, 4; 201.081; 201.091,  
1.28 subdivisions 1, 8, 9, by adding a subdivision; 201.12; 201.13, subdivision 3;  
1.29 201.161; 201.171; 201.27, subdivision 1; 203B.02, subdivision 1; 203B.04,  
1.30 subdivisions 1, 4, 6; 203B.05, subdivision 2; 203B.06, subdivision 3; 203B.07,  
1.31 subdivisions 1, 2; 203B.08, subdivision 3; 203B.081; 203B.10; 203B.11,  
1.32 subdivision 4; 203B.12, subdivision 4; 203B.13, subdivisions 1, 2; 203B.16,  
1.33 subdivision 2; 203B.17, subdivision 2; 203B.21, subdivisions 2, 3; 203B.22;  
1.34 203B.24, subdivision 1; 204B.06, subdivisions 1, 8; 204B.08, subdivision 3;  
1.35 204B.09, subdivisions 1, 1a, 3; 204B.11, subdivision 2; 204B.16, subdivision  
1.36 1; 204B.21, subdivision 2, by adding a subdivision; 204B.45, subdivision 2;  
1.37 204C.06, subdivision 1; 204C.07, subdivision 3a, by adding a subdivision;  
1.38 205.10, by adding a subdivision; 205.13, by adding a subdivision; 205.16,  
1.39

2.1 subdivisions 3, 4; 205A.05, by adding a subdivision; 205A.07, subdivisions 3,  
 2.2 3a; 205A.10, subdivisions 1, 2; 205A.11, subdivision 2; 206.57, subdivision  
 2.3 5; 206.82, subdivision 2; 206.89, subdivisions 1, 5; 211A.02, subdivision 2;  
 2.4 211A.05, subdivision 1; 211B.03; 211B.11, subdivision 1; 302A.821, subdivision  
 2.5 4; 308A.995, subdivision 4; 308B.121, subdivision 4; 308B.215, subdivision 2;  
 2.6 317A.823, subdivision 1; 321.0206; 325L.03; 336.1-110; 336.9-516; 336.9-525;  
 2.7 356.219, subdivision 1; 358.41; 358.42; 358.50; 359.085, subdivisions 2, 3;  
 2.8 365.37, by adding a subdivision; 374.13; 375.101, subdivision 1, by adding  
 2.9 a subdivision; 375.21, by adding a subdivision; 383C.094, by adding a  
 2.10 subdivision; 410.12, subdivision 1; 412.311; 429.041, by adding a subdivision;  
 2.11 447.32, subdivision 4; 458D.21, by adding a subdivision; 469.015, by adding  
 2.12 a subdivision; 469.068, subdivision 1, by adding a subdivision; 471.345,  
 2.13 subdivision 5, by adding subdivisions; 471.61, subdivision 1a; 473.246; 473.523,  
 2.14 by adding a subdivision; 473.756, subdivision 12; 477A.014, subdivision 4;  
 2.15 491A.02, subdivision 4; 507.24, subdivision 2; Laws 2004, chapter 293, article  
 2.16 1, section 37, subdivision 2; Laws 2006, chapter 253, section 22, subdivision 1;  
 2.17 Laws 2006, chapter 258, section 14, subdivision 6; proposing coding for new  
 2.18 law in Minnesota Statutes, chapters 3; 4; 5; 6; 8; 11A; 12; 13; 15B; 16A; 16B;  
 2.19 16C; 16E; 43A; 161; 192; 197; 203B; 204B; 308B; 321; 349A; 471; repealing  
 2.20 Minnesota Statutes 2006, sections 3.884; 3.8841; 6.56, subdivision 1; 16A.102;  
 2.21 16C.055, subdivision 1; 16C.08, subdivision 4a; 69.051, subdivision 1c; 200.04;  
 2.22 201.061, subdivision 7; 201.096; 203B.02, subdivision 1a; 203B.04, subdivision  
 2.23 5; 203B.13, subdivision 3a; 359.085, subdivision 8; 645.44, subdivision 19.

2.24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

2.25 **ARTICLE 1**

2.26 **STATE GOVERNMENT APPROPRIATIONS**

2.27 Section 1. **STATE GOVERNMENT APPROPRIATIONS.**

2.28 The sums shown in the columns marked "appropriations" are appropriated to the  
 2.29 agencies and for the purposes specified in this article. The appropriations are from the  
 2.30 general fund, or another named fund, and are available for the fiscal years indicated  
 2.31 for each purpose. The figures "2008" and "2009" used in this article mean that the  
 2.32 appropriations listed under them are available for the fiscal year ending June 30, 2008, or  
 2.33 June 30, 2009, respectively. "The first year" is fiscal year 2008. "The second year" is fiscal  
 2.34 year 2009. "The biennium" is fiscal years 2008 and 2009.

2.35 **APPROPRIATIONS**  
 2.36 **Available for the Year**  
 2.37 **Ending June 30**  
 2.38 **2008** **2009**

2.39 Sec. 2. **LEGISLATURE**

2.40 **Subdivision 1. Total Appropriation** **\$** **68,671,000** **\$** **69,043,000**

2.41 **Appropriations by Fund**

2.42		<u>2008</u>	<u>2009</u>
2.43	<b><u>General</u></b>	<b><u>68,493,000</u></b>	<b><u>68,865,000</u></b>
2.44	<b><u>Health Care Access</u></b>	<b><u>178,000</u></b>	<b><u>178,000</u></b>

3.1 The amounts that may be spent for each  
 3.2 purpose are specified in the following  
 3.3 subdivisions.

3.4 <u>Subd. 2. <b>Senate</b></u>	<u>22,158,000</u>	<u>21,677,000</u>
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3.5 <u>Subd. 3. <b>House of Representatives</b></u>	<u>30,586,000</u>	<u>31,746,000</u>
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3.6 During the biennium ending June 30, 2009,  
 3.7 any revenues received by the house of  
 3.8 representatives from sponsorship notices in  
 3.9 broadcast or print media are appropriated to  
 3.10 the house of representatives.

3.11 <u>Subd. 4. <b>Legislative Coordinating Commission</b></u>	<u>15,927,000</u>	<u>15,620,000</u>
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<u>Appropriations by Fund</u>		
3.12 <u>General</u>	<u>15,749,000</u>	<u>15,442,000</u>
3.13 <u>Health Care Access</u>	<u>178,000</u>	<u>178,000</u>

3.15 \$600,000 the first year and \$600,000 the  
 3.16 second year are for public information  
 3.17 television, Internet, Intranet, and other  
 3.18 transmission of legislative activities. At  
 3.19 least one-half of those amounts must go for  
 3.20 programming to be broadcast and transmitted  
 3.21 to rural Minnesota.

3.22 \$5,624,000 the first year and \$5,469,000 the  
 3.23 second year are for the Office of the Revisor  
 3.24 of Statutes.

3.25 \$1,257,000 the first year and \$1,254,000 the  
 3.26 second year are for the Legislative Reference  
 3.27 Library.

3.28 \$5,594,000 the first year and \$5,595,000  
 3.29 the second year are for the Office of the  
 3.30 Legislative Auditor.

3.31 All legislative offices should, whenever  
 3.32 possible, implement information technology  
 3.33 systems that are compatible and work  
 3.34 seamlessly across the legislature. Wherever

4.1 possible, single systems should be  
 4.2 implemented to avoid unnecessary  
 4.3 duplication and inefficiency. The directors  
 4.4 of information technology for the senate,  
 4.5 house of representatives, and the Legislative  
 4.6 Coordinating Commission must submit  
 4.7 a written report describing their efforts  
 4.8 to collaborate on implementing shared  
 4.9 information technology systems. The report  
 4.10 must be submitted to the chairs of the house  
 4.11 of representatives and senate committees  
 4.12 with jurisdiction over rules and to the  
 4.13 Legislative Coordinating Commission on  
 4.14 January 15, 2008, and January 15, 2009.

4.15 **Sec. 3. GOVERNOR AND LIEUTENANT**  
 4.16 **GOVERNOR**

<b><u>\$</u></b>	<b><u>3,647,000</u></b>	<b><u>\$</u></b>	<b><u>3,712,000</u></b>
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4.17 (a) This appropriation is to fund the Office of  
 4.18 the Governor and Lieutenant Governor.  
 4.19 \$19,000 the first year and \$19,000 the  
 4.20 second year are for necessary expenses in  
 4.21 the normal performance of the governor's  
 4.22 and lieutenant governor's duties for which no  
 4.23 other reimbursement is provided.

4.24 (b) By September 1 of each year, the  
 4.25 commissioner of finance shall report to  
 4.26 the chairs of the senate Governmental  
 4.27 Operations Budget Division and the house  
 4.28 State Government Finance Division any  
 4.29 personnel costs incurred by the Office of  
 4.30 the Governor and Lieutenant Governor that  
 4.31 were supported by appropriations to other  
 4.32 agencies during the previous fiscal year.  
 4.33 The Office of the Governor shall inform the  
 4.34 chairs of the divisions before initiating any  
 4.35 interagency agreements.

5.1 Sec. 4. STATE AUDITOR \$ 9,234,000 \$ 9,220,000

5.2 Sec. 5. ATTORNEY GENERAL \$ 26,628,000 \$ 26,633,000

5.3	<u>Appropriations by Fund</u>	
5.4	<u>2008</u>	<u>2009</u>
5.5	<u>General</u>	<u>24,514,000</u> <u>24,514,000</u>
5.6	<u>State Government</u>	
5.7	<u>Special Revenue</u>	<u>1,719,000</u> <u>1,724,000</u>
5.8	<u>Environmental</u>	<u>145,000</u> <u>145,000</u>
5.9	<u>Remediation</u>	<u>250,000</u> <u>250,000</u>

5.10 Sec. 6. SECRETARY OF STATE \$ 9,677,000 \$ 6,747,000

5.11	<u>Appropriations by Fund</u>	
5.12	<u>2008</u>	<u>2009</u>
5.13	<u>General</u>	<u>6,833,000</u> <u>6,747,000</u>
5.14	<u>State Government</u>	
5.15	<u>Special Revenue</u>	<u>2,844,000</u>

5.16 \$310,000 of this appropriation must be  
 5.17 transferred to the Help America Vote Act  
 5.18 account and is designated as a portion of the  
 5.19 match required by section 253(b)(5) of the  
 5.20 Help America Vote Act.

5.21 \$2,844,000 the first year is appropriated from  
 5.22 the Help America Vote Act account for the  
 5.23 purposes and uses authorized by federal law.

5.24 This appropriation is available until June 30,  
 5.25 2009.

5.26 Notwithstanding Laws 2005, chapter 162,  
 5.27 section 34, subdivision 7, any balance  
 5.28 remaining in the Help America Vote Act  
 5.29 account after previous appropriations and the  
 5.30 appropriations in this section is appropriated  
 5.31 to the secretary of state for the purposes of  
 5.32 the account. This appropriation is available  
 5.33 until June 30, 2011.

5.34 \$250,000 the first year is for a grant to Kids  
 5.35 Voting Minnesota, to educate children about

6.1 voting and the democratic process. This  
 6.2 appropriation is available until spent.

6.3 **Sec. 7. CAMPAIGN FINANCE AND PUBLIC**  
 6.4 **DISCLOSURE BOARD** \$ **708,000** \$ **722,000**

6.5 **Sec. 8. INVESTMENT BOARD** \$ **151,000** \$ **151,000**

6.6 **Sec. 9. OFFICE OF ENTERPRISE**  
 6.7 **TECHNOLOGY** \$ **17,969,000** \$ **5,287,000**

6.8 (a) \$2,000,000 the first year is for the first  
 6.9 phase of an electronic licensing system.  
 6.10 This is a onetime appropriation. This  
 6.11 appropriation carries forward to the second  
 6.12 year.

6.13 (b) \$10,000,000 the first year is for  
 6.14 information technology security.

6.15 (c) \$500,000 the first year and \$500,000 the  
 6.16 second year are for oversight and analysis of  
 6.17 state technology investments.

6.18 (d) \$1,456,000 the first year and \$1,000,000  
 6.19 the second year are for small agency  
 6.20 technology infrastructure. During the first  
 6.21 biennium, these amounts are intended to  
 6.22 include hardware and software improvements  
 6.23 for the Asian-Pacific Council, the Capitol  
 6.24 Area Architectural and Planning Board,  
 6.25 the Minnesota Library for the Blind,  
 6.26 the Minnesota State Academies, and  
 6.27 the Ombudsman for Mental Health and  
 6.28 Developmental Disabilities. Ongoing  
 6.29 funding for improvements made during fiscal  
 6.30 years 2008 and 2009 may be added to the  
 6.31 base funding for those agencies in fiscal  
 6.32 years 2010 and 2011.

- 7.1 (e) \$68,000 is for an electronic documents  
7.2 study and report.
- 7.3 (f) \$200,000 is for grants to be distributed to  
7.4 the counties participating in the development  
7.5 of the integrated financial system for  
7.6 enhancements to the system. Enhancements  
7.7 include:
- 7.8 (1) systems to improve the tracking and  
7.9 reporting of state and federal grants;
- 7.10 (2) electronic payments to vendors;
- 7.11 (3) electronic posting of state payments to  
7.12 the financial system;
- 7.13 (4) automating revenue collection and  
7.14 posting through check conversion, automatic  
7.15 clearing house transactions, or credit card  
7.16 processing;
- 7.17 (5) improvements to county budgetary  
7.18 systems;
- 7.19 (6) storage or linkage of electronic  
7.20 documents;
- 7.21 (7) improved executive level reporting and  
7.22 extraction of data; and
- 7.23 (8) improved information and reporting for  
7.24 audits.
- 7.25 The grant funds shall be distributed on a pro  
7.26 rata basis to each of the counties participating  
7.27 in the development of the integrated financial  
7.28 system. The Minnesota Counties Computer  
7.29 Cooperative, acting as a fiscal agent for  
7.30 the participating counties, shall receive the  
7.31 grant money for the counties. The grants  
7.32 will only be distributed after \$600,000 is  
7.33 expended or provided from other sources.  
7.34 The chief information officer may require

8.1 a report or such other information as the  
 8.2 chief information officer deems appropriate  
 8.3 to verify that the requirements of this  
 8.4 section have been met. This appropriation  
 8.5 is available until June 30, 2011, and cancels  
 8.6 on that date.

8.7 **Sec. 10. ADMINISTRATIVE HEARINGS**      **\$      8,087,000 \$      7,801,000**

8.8	<u>Appropriations by Fund</u>	
8.9	<u>2008</u>	<u>2009</u>
8.10	<u>281,000</u>	<u>285,000</u>
8.11	<u>General</u>	
8.12	<u>7,806,000</u>	<u>7,516,000</u>
	<u>Workers'</u>	
	<u>Compensation</u>	

8.13 \$266,000 each year is for two workers'  
 8.14 compensation judges, to be located in Duluth.

8.15 **Sec. 11. ADMINISTRATION**

8.16 **Subdivision 1. Total Appropriation**      **\$      24,887,000 \$      20,282,000**

8.17 The amounts that may be spent for each  
 8.18 purpose are specified in the following  
 8.19 subdivisions.

8.20 **Subd. 2. State Facilities Services**      **14,746,000**      **11,458,000**

8.21 (a) \$7,888,000 the first year and \$7,888,000  
 8.22 the second year are for office space costs of  
 8.23 the legislature and veterans organizations,  
 8.24 for ceremonial space, and for statutorily free  
 8.25 space.

8.26 (b) \$2,500,000 the first year is to purchase  
 8.27 and implement a Web-enabled, shared  
 8.28 computer system to facilitate the state's real  
 8.29 property portfolio management.

8.30 (c) \$250,000 the first year and \$250,000 the  
 8.31 second year are for the energy conservation  
 8.32 recommissioning activities in state buildings.

8.33 **Subd. 3. State and Community Services**      **3,420,000**      **3,583,000**

9.1 (a) \$60,000 the first year and \$240,000 the  
 9.2 second year are to fund activities to prepare  
 9.3 for and promote the 2010 census. Base  
 9.4 funding for this activity is \$260,000 in fiscal  
 9.5 year 2010 and \$180,000 in fiscal year 2011.

9.6 (b) \$1,100,000 the first year and \$1,100,000  
 9.7 the second year are for the Land Management  
 9.8 Information Center.

9.9 (c) \$196,000 the first year and \$196,000 the  
 9.10 second year are for the Office of the State  
 9.11 Archaeologist.

9.12 <b><u>Subd. 4. Administrative Management Services</u></b>	<u>6,121,000</u>	<u>5,241,000</u>
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9.13 (a) \$125,000 the first year is to create an  
 9.14 Office of Grants Management to standardize  
 9.15 state grants management policies and  
 9.16 procedures. For the fiscal year beginning  
 9.17 July 1, 2008, the commissioner must deduct  
 9.18 from state grants subject to nongovernmental  
 9.19 entities up to \$125,000, as necessary to  
 9.20 fund the commissioner's duties under  
 9.21 new Minnesota Statutes, sections 16B.97  
 9.22 and 16B.98. The amount deducted from  
 9.23 appropriations for these grants is transferred  
 9.24 to the commissioner for purposes of  
 9.25 administering those sections.

9.26 (b) \$285,000 the first year is to fund a pilot  
 9.27 project to reduce state expenditures on  
 9.28 professional/technical contracts negotiations.

9.29 (c) \$250,000 the first year and \$250,000  
 9.30 the second year are to establish a small  
 9.31 agency resource team to consolidate and  
 9.32 streamline the human resources and financial  
 9.33 management activities for small state  
 9.34 agencies, boards, and councils.

10.1 (d) \$425,000 the first year is a onetime  
10.2 appropriation for a targeted group business  
10.3 disparity study. The commissioner must  
10.4 cooperate with units of local government  
10.5 conducting similar studies.

10.6 (e) \$74,000 the first year and \$74,000  
10.7 the second year are for the Council on  
10.8 Developmental Disabilities.

10.9 (f) \$53,000 the first year and \$36,000 the  
10.10 second year are for the genetic information  
10.11 work group and report.

10.12 (g) \$250,000 in fiscal year 2008 and  
10.13 \$250,000 in fiscal year 2009 are for a grant  
10.14 to the Council on Developmental Disabilities  
10.15 for the purpose of establishing a statewide  
10.16 self-advocacy network for persons with  
10.17 intellectual and developmental disabilities  
10.18 (ID/DD). The self-advocacy network shall:

10.19 (1) ensure that persons with ID/DD are  
10.20 informed of their rights in employment,  
10.21 housing, transportation, voting, government  
10.22 policy, and other issues pertinent to the  
10.23 ID/DD community;

10.24 (2) provide public education and awareness  
10.25 of the civil and human rights issues persons  
10.26 with ID/DD face;

10.27 (3) provide funds, technical assistance, and  
10.28 other resources for self-advocacy groups  
10.29 across the state; and

10.30 (4) organize systems of communications  
10.31 to facilitate an exchange of information  
10.32 between self-advocacy groups.

11.1 This appropriation is in addition to any other  
 11.2 appropriations and must be added to the base  
 11.3 appropriation beginning in fiscal year 2010.

11.4 (h) \$75,000 is for purposes of promotion  
 11.5 of document imaging work in government  
 11.6 agencies to be done by persons with  
 11.7 developmental disabilities.

11.8 **Subd. 5. Fiscal Agent** 600,000

11.9 (a) \$100,000 the first year is for the  
 11.10 sustainable growth working group.

11.11 (b) \$500,000 is for a grant to Washington  
 11.12 County for capital improvements detailed in  
 11.13 the approved planned unit development for  
 11.14 the Disabled Veteran's Rest Camp to provide  
 11.15 increased capacity, amenities, access, and  
 11.16 safety for Minnesota veterans.

11.17 **Sec. 12. CAPITOL AREA**  
 11.18 **ARCHITECTURAL AND PLANNING**  
 11.19 **BOARD**

**\$ 428,000 \$ 372,000**

11.20 \$65,000 in fiscal year 2008 is for the  
 11.21 decennial expenses related to the board's  
 11.22 duties under Minnesota Statutes, section  
 11.23 473.864, subdivisions 1 and 2. Money  
 11.24 appropriated in fiscal year 2008 is available  
 11.25 until June 30, 2009. This is a onetime  
 11.26 appropriation.

11.27 **Sec. 13. FINANCE**

11.28 **Subdivision 1. Total Appropriation** **\$ 22,382,000 \$ 15,331,000**

11.29 The amounts that may be spent for each  
 11.30 purpose are specified in the following  
 11.31 subdivisions.

11.32 **Subd. 2. State Financial Management** **8,912,000 8,752,000**

12.1 (a) \$315,000 the first year is for the state's  
 12.2 share of the cost of bankruptcy counsel  
 12.3 representing joint interests of the state and  
 12.4 the city of Duluth in the Northwest Airlines  
 12.5 bankruptcy. This is a onetime appropriation.

12.6 (b) Notwithstanding the provisions of  
 12.7 Minnesota Statutes, section 16A.1522,  
 12.8 subdivision 4, the commissioner of finance  
 12.9 shall designate any positive general fund  
 12.10 budgetary balance on June 30, 2007, as an  
 12.11 unrestricted balance. Money so designated  
 12.12 shall remain available for general fund  
 12.13 appropriations authorized in fiscal years  
 12.14 2008 and 2009.

12.15 **Subd. 3. Information and Management**  
 12.16 **Services**

13,470,000

6,579,000

12.17 \$7,000,000 the first year is for costs related to  
 12.18 the Minnesota Accounting and Procurement  
 12.19 System (MAPS). \$6,500,000 is to implement  
 12.20 remediation strategies as necessary to avoid  
 12.21 a systemic failure. \$500,000 of the first year  
 12.22 total is for planning for the system's eventual  
 12.23 replacement.

12.24 **Sec. 14. EMPLOYEE RELATIONS**

**\$**

**6,385,000**

**\$**

**5,947,000**

12.25 (a) \$250,000 each year is for the Center for  
 12.26 Health Care Purchasing Improvement.

12.27 (b) \$186,000 the first year and \$203,000 the  
 12.28 second year are for transfer to state agencies  
 12.29 for additional expenses incurred as a result  
 12.30 of expanded use of sick leave authorized by  
 12.31 this act.

12.32 (c) \$350,000 the first year is to support the  
 12.33 use of an electronic portfolio system to  
 12.34 provide personal health records for MnSCU

13.1 employees and other participants in the state  
 13.2 employee group insurance program. Of  
 13.3 this amount, \$50,000 is for transfer to the  
 13.4 University of Minnesota Health Informatics  
 13.5 Division to evaluate the use and impact of  
 13.6 personal health records on these employees.  
 13.7 This appropriation is available until June 30,  
 13.8 2009.

13.9 **Sec. 15. REVENUE**

13.10 **Subdivision 1. Total Appropriation** **\$ 128,562,000 \$ 121,466,000**

<u>Appropriations by Fund</u>		
	<u>2008</u>	<u>2009</u>
13.11 <u>General</u>	<u>124,462,000</u>	<u>117,306,000</u>
13.12 <u>Health Care Access</u>	<u>1,680,000</u>	<u>1,707,000</u>
13.13 <u>Highway User Tax</u>		
13.14 <u>Distribution</u>	<u>2,125,000</u>	<u>2,154,000</u>
13.15 <u>Environmental</u>	<u>295,000</u>	<u>299,000</u>

13.16 The amounts that may be spent for each  
 13.17 purpose are specified in subdivisions 2 and 3.

13.18 **Subd. 2. Tax System Management** **108,401,000 99,616,000**

<u>Appropriations by Fund</u>		
	<u>2008</u>	<u>2009</u>
13.19 <u>General</u>	<u>104,301,000</u>	<u>95,456,000</u>
13.20 <u>Health Care Access</u>	<u>1,680,000</u>	<u>1,707,000</u>
13.21 <u>Highway User Tax</u>		
13.22 <u>Distribution</u>	<u>2,125,000</u>	<u>2,154,000</u>
13.23 <u>Environmental</u>	<u>295,000</u>	<u>299,000</u>

13.24 (a) \$6,910,000 the first year and \$8,704,000  
 13.25 the second year are for additional activities  
 13.26 to identify and collect tax liabilities from  
 13.27 individuals and businesses that currently  
 13.28 do not pay all taxes owed. This initiative  
 13.29 is expected to result in new general fund  
 13.30 revenues of \$42,400,000 for the biennium  
 13.31 ending June 30, 2009.

13.32 (b) The department must report to the chairs  
 13.33 of the house of representatives Ways and

- 14.1 Means and senate Finance Committees by  
14.2 March 1, 2008, and January 15, 2009, on the  
14.3 following performance indicators:
- 14.4 (1) the number of corporations noncompliant  
14.5 with the corporate tax system each year and  
14.6 the percentage and dollar amounts of valid  
14.7 tax liabilities collected;
- 14.8 (2) the number of businesses noncompliant  
14.9 with the sales and use tax system and the  
14.10 percentage and dollar amount of the valid tax  
14.11 liabilities collected; and
- 14.12 (3) the number of individual noncompliant  
14.13 cases resolved and the percentage and dollar  
14.14 amounts of valid tax liabilities collected.
- 14.15 (c) The reports must also identify base-level  
14.16 expenditures and staff positions related to  
14.17 compliance and audit activities, including  
14.18 baseline information as of January 1, 2006.  
14.19 The information must be provided at the  
14.20 budget activity level.
- 14.21 (d) \$12,000,000 the first year is for the  
14.22 purchase and development of an integrated  
14.23 tax software package.
- 14.24 (e) \$75,000 the first year and \$75,000 the  
14.25 second year are for grants to one or more  
14.26 nonprofit organizations, qualifying under  
14.27 section 501(c)(3) of the Internal Revenue  
14.28 Code of 1986, to coordinate, facilitate,  
14.29 encourage, and aid in the provision of  
14.30 taxpayer assistance services. For purposes  
14.31 of this paragraph, "taxpayer assistance  
14.32 services" means accounting and tax  
14.33 preparation services provided by volunteers  
14.34 to low-income and disadvantaged Minnesota  
14.35 residents to help them file federal and



16.1 program. This appropriation is available  
16.2 until spent.

16.3 (b) \$275,000 the first year and \$285,000 the  
16.4 second year are for additional staffing.

16.5 (c) \$338,000 each year is from the account  
16.6 in the special revenue fund established in  
16.7 Minnesota Statutes, section 190.19, for  
16.8 grants under that section.

16.9 (d) \$25,000 the first year is for a longitudinal  
16.10 study measuring improvement in academic  
16.11 achievement as a result of participation in the  
16.12 Starbase program.

16.13 **Subd. 4. Enlistment Incentives** 10,209,000 10,211,000

16.14 If appropriations for either year of the  
16.15 biennium are insufficient, the appropriation  
16.16 from the other year is available. The  
16.17 appropriations for enlistment incentives are  
16.18 available until expended.

16.19 **Sec. 17. GAMBLING CONTROL** \$ 2,846,000 \$ 2,893,000

16.20 These appropriations are from the lawful  
16.21 gambling regulation account in the special  
16.22 revenue fund.

16.23 **Sec. 18. RACING COMMISSION** \$ 1,130,000 \$ 899,000

16.24 (a) These appropriations are from racing  
16.25 regulation accounts in the special revenue  
16.26 fund.

16.27 (b) \$295,000 the first year and \$64,000 the  
16.28 second year and thereafter are for information  
16.29 technology improvements implemented in  
16.30 consultation with the Office of Enterprise  
16.31 Technology as part of the small agency  
16.32 technology initiative.

17.1	Sec. 19. <b><u>STATE LOTTERY</u></b>		
17.2	<u>Notwithstanding Minnesota Statutes, section</u>		
17.3	<u>349A.10, subdivision 3, the operating budget</u>		
17.4	<u>must not exceed \$27,378,000 in fiscal year</u>		
17.5	<u>2008 and \$28,141,000 in fiscal year 2009.</u>		
17.6	Sec. 20. <b><u>TORT CLAIMS</u></b>	<b><u>\$ 161,000</u></b>	<b><u>\$ 161,000</u></b>
17.7	<u>To be spent by the commissioner of finance.</u>		
17.8	<u>If the appropriation for either year is</u>		
17.9	<u>insufficient, the appropriation for the other</u>		
17.10	<u>year is available for it.</u>		
17.11	Sec. 21. <b><u>MINNESOTA STATE RETIREMENT</u></b>		
17.12	<b><u>SYSTEM</u></b>	<b><u>\$ 1,608,000</u></b>	<b><u>\$ 1,649,000</u></b>
17.13	<u>(a) The amounts estimated to be needed for</u>		
17.14	<u>each program are as follows:</u>		
17.15	<b><u>(1) Legislators</u></b>	<u>1,170,000</u>	<u>1,200,000</u>
17.16	<u>Under Minnesota Statutes, sections 3A.03,</u>		
17.17	<u>subdivision 2, 3A.04, subdivisions 3 and 4;</u>		
17.18	<u>and 3A.115.</u>		
17.19	<b><u>(2) Constitutional Officers</u></b>	<u>438,000</u>	<u>449,000</u>
17.20	<u>Under Minnesota Statutes, sections</u>		
17.21	<u>352C.031, subdivision 5; 352C.04,</u>		
17.22	<u>subdivision 3; and 352C.09, subdivision 2.</u>		
17.23	<u>(b) If an appropriation in this section for</u>		
17.24	<u>either year is insufficient, the appropriation</u>		
17.25	<u>for the other year is available for it.</u>		
17.26	Sec. 22. <b><u>MINNEAPOLIS EMPLOYEES</u></b>		
17.27	<b><u>RETIREMENT FUND</u></b>	<b><u>\$ 9,000,000</u></b>	<b><u>\$ 9,000,000</u></b>
17.28	<u>The amounts estimated to be needed under</u>		
17.29	<u>Minnesota Statutes, section 422A.101,</u>		
17.30	<u>subdivision 3.</u>		

18.1 **Sec. 23. TEACHERS RETIREMENT**  
 18.2 **ASSOCIATION** **\$ 15,800,000 \$ 15,800,000**

18.3 The amounts estimated to be needed are as  
 18.4 follows:

18.5 (a) Special direct state aid to first class  
 18.6 city teachers retirement funds authorized under  
 18.7 Minnesota Statutes, section 354A.12, subdivisions  
 18.8 3a and 3c. **13,300,000 13,300,000**

18.9 (b) Special direct state matching aid to  
 18.10 Minneapolis Teachers Retirement Fund  
 18.11 authorized under Minnesota Statutes, section  
 18.12 354A.12, subdivision 3b. **2,500,000 2,500,000**

18.13 **Sec. 24. ST. PAUL TEACHERS**  
 18.14 **RETIREMENT FUND** **\$ 2,967,000 \$ 2,967,000**

18.15 The amounts estimated to be needed for  
 18.16 special direct state aid to first class city  
 18.17 teachers retirement funds authorized under  
 18.18 Minnesota Statutes, section 354A.12,  
 18.19 subdivisions 3a and 3c.

18.20 **Sec. 25. GENERAL CONTINGENT**  
 18.21 **ACCOUNTS** **\$ 1,000,000 \$ 500,000**

	<u>Appropriations by Fund</u>	
	<u>2008</u>	<u>2009</u>
18.22		
18.23		
18.24	<u>General</u>	<u>500,000</u> <u>-0-</u>
18.25	<u>State Government</u>	
18.26	<u>Special Revenue</u>	<u>400,000</u> <u>400,000</u>
18.27	<u>Workers'</u>	
18.28	<u>Compensation</u>	<u>100,000</u> <u>100,000</u>

18.29 (a) The appropriations in this section  
 18.30 may only be spent with the approval of  
 18.31 the governor after consultation with the  
 18.32 Legislative Advisory Commission pursuant  
 18.33 to Minnesota Statutes, section 3.30.

18.34 (b) If an appropriation in this section for  
 18.35 either year is insufficient, the appropriation  
 18.36 for the other year is available for it.

19.1 (c) If a contingent account appropriation  
19.2 is made in one fiscal year, it should be  
19.3 considered a biennial appropriation.

19.4 Sec. 26. **MANAGERIAL POSITION REDUCTIONS.**

19.5 The governor must reduce the number of deputy commissioners, assistant  
19.6 commissioners, and positions designated as unclassified under authority of Minnesota  
19.7 Statutes, section 43A.08, subdivision 1a, by an amount that will generate savings to the  
19.8 general fund of \$775,000 in the biennium ending June 30, 2009, and \$7,600,000 in the  
19.9 biennium ending June 30, 2011.

19.10 **ARTICLE 2**

19.11 **STATE GOVERNMENT OPERATIONS**

19.12 Section 1. **[3.052] SCHEDULE FOR CONSIDERATION OF LEGISLATION.**

19.13 Subdivision 1. **Agency bills.** An executive department or agency intending to urge  
19.14 the legislature to adopt a bill shall deliver the bill to the revisor of statutes by November  
19.15 1 before the regular session at which adoption will be urged. This deadline does not  
19.16 apply: (1) to bills necessary to implement the governor's budget proposals; (2) to other  
19.17 bills that are policy initiatives of the governor, as opposed to administrative initiatives of a  
19.18 department or agency; or (3) as otherwise provided in section 3C.035.

19.19 Subd. 2. **State of the state.** The governor is encouraged to submit a state of the state  
19.20 address in January of each odd-numbered year and within the first ten days after the start  
19.21 of the legislative session in an even-numbered year. Before or during this address, the  
19.22 governor is encouraged to announce major legislative policy initiatives that the governor  
19.23 intends to promote that year.

19.24 Subd. 3. **Executive submission of budget bills.** The governor must submit bills  
19.25 necessary to implement the governor's operating budget to the legislature within one  
19.26 week after the date specified in section 16A.11 for the governor to submit the detailed  
19.27 operating budget to the legislature. The bills must be provided to the speaker of the house  
19.28 of representatives and the majority leader of the senate in a manner ready for formal  
19.29 introduction and final consideration.

19.30 Sec. 2. **[3.181] PRINTED MATERIALS.**

19.31 If paper copies of legislative bills and amendments are printed, they must be printed  
19.32 on paper that measures 8-1/2 inches by 11 inches.

20.1 **EFFECTIVE DATE.** This section is effective January 1, 2009.

20.2 Sec. 3. **[3.3051] PUBLIC INFORMATION.**

20.3 The Legislative Coordinating Commission must establish a joint legislative public  
20.4 information office.

20.5 The office is the legislative entity responsible for:

20.6 (1) producing legislative directories and rosters, news magazines, and general  
20.7 educational materials about the legislative process;

20.8 (2) in cooperation with other legislative offices, providing schedules of legislative  
20.9 meetings;

20.10 (3) producing television coverage of certain legislative proceedings; and

20.11 (4) performing other functions assigned by the Legislative Coordinating  
20.12 Commission.

20.13 Sec. 4. **[3.306] MEETING TIMES.**

20.14 The house of representatives and the senate must adopt rules that set one time as the  
20.15 regular hour of convening daily sessions in both houses.

20.16 Sec. 5. **[3.3061] JOINT STANDING COMMITTEES.**

20.17 The house of representatives and the senate are encouraged to adopt rules that:

20.18 (1) establish a system of joint standing committees to consider and report on  
20.19 legislation and conduct other legislative business, except that each house may separately  
20.20 establish a committee on rules and administration and a committee on ethics; or

20.21 (2) provide that house and senate committees with similar jurisdiction will meet at  
20.22 the same time to facilitate joint meetings.

20.23 Sec. 6. Minnesota Statutes 2006, section 3.85, subdivision 3, is amended to read:

20.24 Subd. 3. **Membership.** The commission consists of ~~five~~ seven members of the  
20.25 senate appointed by the Subcommittee on Committees of the Committee on Rules and  
20.26 Administration and ~~five~~ seven members of the house of representatives appointed by the  
20.27 speaker. Members shall be appointed at the commencement of each regular session of the  
20.28 legislature for a two-year term beginning January 16 of the first year of the regular session.  
20.29 Members continue to serve until their successors are appointed. Vacancies that occur while  
20.30 the legislature is in session shall be filled like regular appointments. If the legislature is not  
20.31 in session, senate vacancies shall be filled by the last Subcommittee on Committees of the  
20.32 senate Committee on Rules and Administration or other appointing authority designated

21.1 by the senate rules, and house vacancies shall be filled by the last speaker of the house, or  
21.2 if the speaker is not available, by the last chair of the house Rules Committee.

21.3       Sec. 7. **[3.9228] MINNESOTA OFFICE ON ETHNIC HERITAGE AND NEW**  
21.4 **AMERICANS.**

21.5       Subdivision 1. **Office established.** The Minnesota Office of Ethnic Heritage and  
21.6 New Americans is established to: (1) recognize the state's rich ethnic diversity and the  
21.7 contributions that immigrants have made to the state's social, economic, and cultural  
21.8 history; and (2) capitalize on and develop the strengths of the immigrant community in  
21.9 Minnesota. The commission shall assist state government to foster an understanding and  
21.10 appreciation of ethnic and cultural diversity in Minnesota, to more effectively identify  
21.11 the underutilized resources within the immigrant community and to facilitate the full  
21.12 participation of immigrants in social, cultural, and political life in this state.

21.13       Subd. 2. **Membership.** The Minnesota Office of Ethnic Heritage and New  
21.14 Americans consists of 14 members: the Subcommittee on Committees of the Committee  
21.15 on Rules and Administration of the senate shall appoint two public members and two  
21.16 senators; and the speaker of the house of representatives shall appoint two public members  
21.17 and two members of the house of representatives. The governor shall appoint six public  
21.18 members.

21.19       Appointees must have proven experience and dedication to working with the wide  
21.20 range of ethnic communities within Minnesota, the immigrant community, and possess  
21.21 training and experience in business, management, economics, public policy, legal affairs,  
21.22 and social work. The appointing authorities shall seek to collaborate with each other and  
21.23 with the councils established in sections 3.9223, 3.9225, and 3.9226 to ensure that the  
21.24 public membership of the commission is ethnically and geographically diverse and is  
21.25 reasonably balanced by gender.

21.26       Compensation and the filling of vacancies or appointed members are as provided in  
21.27 section 15.0575. The appointments required under this subdivision must be completed  
21.28 no later than September 1, 2007.

21.29       Subd. 3. **Organization.** As soon as possible after the appointments under  
21.30 subdivision 2 have been completed, the executive director of the Legislative Coordinating  
21.31 Commission shall convene the first meeting of the commission. The members of the  
21.32 commission shall select their chairperson at the first meeting.

21.33       Subd. 4. **Assistance.** The Legislative Coordinating Commission shall provide the  
21.34 administrative and clerical support services necessary for the operation of the Minnesota  
21.35 Office on Ethnic Heritage and New Americans.

22.1 Subd. 5. **Duties.** The Minnesota Office of Ethnic Heritage and New Americans shall:

22.2 (1) work with community leaders, the legislature, and the executive branch to  
 22.3 develop programs and proposals that will encourage ethnic identity, preserve ethnic  
 22.4 heritage, and promote education of the public about the state's heritage and cultural history;

22.5 (2) make recommendations to the legislature and the governor intended to foster the  
 22.6 understanding and appreciation of cultural diversity in the state;

22.7 (3) maintain association with ethnic, cultural, and minority groups to determine  
 22.8 community needs;

22.9 (4) study and consider opportunities and issues for the immigrant community in  
 22.10 this state, including:

22.11 (i) steps to eliminate underutilization of immigrants in the state's work force;

22.12 (ii) improving the efficient use of existing state programs and services; and

22.13 (iii) other appropriate steps to improve the economic and social condition of  
 22.14 immigrants in this state.

22.15 By December 1, 2008, the commission shall report to the chairs of the legislative  
 22.16 committees and divisions with jurisdiction over issues affecting ethnic heritage and  
 22.17 immigrants. The report must include a discussion of the items listed in this subdivision  
 22.18 together with recommendations for state agencies and the legislature, including any  
 22.19 proposed legislation necessary to accomplish the recommendations. The executive  
 22.20 director of the Legislative Coordinating Commission shall ensure that copies of the report  
 22.21 are available on the Legislative Coordinating Commission's Web site.

22.22 Subd. 6. **Expiration.** This section expires on June 30, 2009.

22.23 Sec. 8. Minnesota Statutes 2006, section 3.9741, subdivision 1, is amended to read:

22.24 Subdivision 1. **Metropolitan Commission.** Upon the audit of the financial accounts  
 22.25 and affairs of a commission under section 473.595, 473.604, or 473.703, the affected  
 22.26 Metropolitan Commission is liable to the state for the total cost and expenses of the  
 22.27 audit, including the salaries paid to the examiners while actually engaged in making  
 22.28 the examination. The legislative auditor may bill the Metropolitan Commission either  
 22.29 monthly or at the completion of the audit. All collections received for the audits must be  
 22.30 ~~deposited in the general fund~~ added to the appropriation for the legislative auditor.

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

22.32 Sec. 9. **[4.60] POET LAUREATE.**

22.33 (a) The position of poet laureate of the state of Minnesota is established. The  
 22.34 Minnesota Humanities Commission must solicit nominations for the poet laureate

23.1 appointment and must make recommendations to the governor. After receiving  
23.2 recommendations from the Minnesota Humanities Commission, the governor shall  
23.3 appoint a state poet laureate and conduct appropriate ceremonies to honor the person  
23.4 appointed. The person appointed as poet laureate continues to serve in this position until  
23.5 the governor appoints another person.

23.6 (b) State agencies and officers are encouraged to use the services of the poet laureate  
23.7 for appropriate ceremonies and celebrations.

23.8 Sec. 10. Minnesota Statutes 2006, section 5.12, subdivision 1, is amended to read:

23.9 Subdivision 1. **Fees.** The secretary of state shall charge a fee of \$5 for each  
23.10 certificate or certification of a copy of any document filed in the Office of the Secretary  
23.11 of State. The secretary of state shall charge a fee of \$3 for a copy of an original filing of  
23.12 a corporation, limited partnership, assumed name, or trade or service mark,~~or for the~~  
23.13 ~~complete record of a certificate of assumed name.~~ The secretary of state shall charge a  
23.14 fee of \$3 for a copy of any or all subsequent filings of a corporation, limited partnership,  
23.15 assumed name, or trade or service mark. The secretary of state shall charge a fee of \$1 per  
23.16 page for copies of other nonuniform commercial code documents filed with the secretary of  
23.17 state. At the time of filing, the secretary of state may provide at the public counter, without  
23.18 charge, a copy of a filing, ten or fewer pages in length, to the person making the filing.

23.19 **EFFECTIVE DATE.** This section is effective August 1, 2007.

23.20 Sec. 11. **[5.32] TEMPORARY TECHNOLOGY SURCHARGE.**

23.21 Subdivision 1. **Surcharge.** For fiscal years 2008 and 2009, the following technology  
23.22 surcharges are imposed on the filing fees required under the following statutes:

23.23 (1) \$25 for articles of incorporation filed under section 302A.151;

23.24 (2) \$25 for articles of organization filed under section 322B.17;

23.25 (3) \$25 for applications for certificates of authority to transact business in Minnesota  
23.26 filed under section 303.06;

23.27 (4) \$20 for annual reports filed by non-Minnesota corporations under section  
23.28 303.14; and

23.29 (5) \$50 for reinstatements to authority to transact business in Minnesota filed under  
23.30 section 303.19.

23.31 Subd. 2. **Deposit.** The surcharges listed in subdivision 1 shall be deposited into the  
23.32 uniform commercial code account.

23.33 Subd. 3. **Expiration.** This section expires June 30, 2009.

24.1 Sec. 12. **[6.465] DEFINITIONS.**

24.2 Subdivision 1. **Application.** For the purposes of this chapter, the terms defined in  
 24.3 this section have the meaning given them.

24.4 Subd. 2. **Political subdivision.** "Political subdivision" means a county, home rule  
 24.5 charter or statutory city, town, school district, metropolitan or regional agency, public  
 24.6 corporation, political subdivision, or special district as defined in subdivision 3. "Political  
 24.7 subdivision" does not include a metropolitan or regional agency or a public corporation  
 24.8 audited by the legislative auditor.

24.9 Subd. 3. **Special district.** "Special district" means a public entity with a special  
 24.10 or limited purpose, financed by property tax revenues or other public funds, that is  
 24.11 not included in a city, county, or town financial report as a component of that local  
 24.12 government, that is created or authorized by law, and that is governed by (1) persons  
 24.13 directly elected to the governing board of the district, (2) persons appointed to the  
 24.14 governing board of the district by local elected officials, (3) local elected officials who  
 24.15 serve on the board by virtue of their elected office, or (4) a combination of these methods  
 24.16 of selection. Special district includes special taxing districts listed in section 275.066.

24.17 Sec. 13. Minnesota Statutes 2006, section 6.47, is amended to read:

24.18 **6.47 ACCOUNTING AND BUDGETING SYSTEMS; INVESTIGATION,**  
 24.19 **FORMS.**

24.20 The state auditor shall inquire into the accounting and budgeting systems of all  
 24.21 ~~local units of government~~ political subdivisions and shall prescribe suitable systems of  
 24.22 accounts and budgeting, and forms, books, and instructions concerning the same. At the  
 24.23 request of any ~~local unit of government~~ political subdivision the state auditor may install  
 24.24 such systems. ~~The state auditor shall recommend a form for order- and warrant-checks of~~  
 24.25 ~~all local units of government which shall conform, so far as consistent with statutory and~~  
 24.26 ~~charter requirements, to approved banking practice in order to facilitate handling of such~~  
 24.27 ~~instruments by banks and other depositories.~~

24.28 Sec. 14. Minnesota Statutes 2006, section 6.51, is amended to read:

24.29 **6.51 SCHOOL DISTRICTS, TOWNS, AND STATUTORY CITIES OTHER**  
 24.30 **POLITICAL SUBDIVISIONS.**

24.31 All powers and duties of the state auditor herein imposed and conferred with respect  
 24.32 to the supervision, inspection, and examination of books and accounts of cities in section  
 24.33 6.50 are herewith extended to all ~~school districts, towns, and statutory cities~~ political  
 24.34 subdivisions of this state. A copy of the report of such examination shall be filed, subject

25.1 to public inspection, with the clerk or chief administrative officer of the ~~town, statutory~~  
 25.2 ~~city, or school district~~ political subdivision receiving such examination, and an additional  
 25.3 copy with the county auditor of the county in which the administrative offices of ~~such~~  
 25.4 ~~town, statutory city, or school district~~ the political subdivision are located. If such report  
 25.5 disclose malfeasance, misfeasance, or nonfeasance in office, the state auditor shall file  
 25.6 such copy with the county attorney of the county in which the administrative offices of  
 25.7 ~~such school district, town, or statutory city~~ the political subdivision are located, and the  
 25.8 county attorney shall institute such proceedings as the law and the public interest require.

25.9 Sec. 15. Minnesota Statutes 2006, section 6.54, is amended to read:

25.10 **6.54 EXAMINATION OF ~~COUNTY AND MUNICIPAL~~ POLITICAL**  
 25.11 **SUBDIVISION RECORDS PURSUANT TO PETITION.**

25.12 Subdivision 1. **Petition of voters for audit.** The registered voters in a ~~county or~~  
 25.13 ~~home rule charter or statutory city~~ political subdivision other than a town or school district  
 25.14 or the electors at an annual or special town meeting of a town may petition the state  
 25.15 auditor to examine the books, records, accounts, and affairs of the ~~county, home rule~~  
 25.16 ~~charter or statutory city, town,~~ political subdivision or of any organizational unit, activity,  
 25.17 project, enterprise, or fund thereof; and the scope of the examination may be limited by the  
 25.18 petition, but the examination shall cover, at least, all cash received and disbursed and the  
 25.19 transactions relating thereto, provided that the state auditor shall not examine more than  
 25.20 the six latest years preceding the circulation of the petition, unless it appears to the state  
 25.21 auditor during the examination that the audit period should be extended to permit a full  
 25.22 recovery under bonds furnished by public officers or employees, and may if it appears to  
 25.23 the auditor in the public interest confine the period or the scope of audit or both period and  
 25.24 scope of audit, to less than that requested by the petition. In the case of a ~~county or home~~  
 25.25 ~~rule charter or statutory city~~ political subdivision other than a town or school district, the  
 25.26 petition shall be signed by a number of registered voters at least equal to 20 percent of  
 25.27 those voting in the last presidential election.

25.28 Subd. 2. **School districts.** The eligible voters of any school district may petition the  
 25.29 state auditor, who shall be subject to the same restrictions regarding the scope and period  
 25.30 of audit, provided that the petition shall be signed by at least ten eligible voters for each 50  
 25.31 resident pupils in average daily membership during the preceding school year as shown on  
 25.32 the records in the office of the commissioner of education. In the case of school districts,  
 25.33 the petition shall be signed by at least ten eligible voters.

25.34 Subd. 3. **Certifications required.** At the time it is circulated, every petition shall  
 25.35 contain a statement that the cost of the audit will be borne by the ~~county, city, or school~~

26.1 ~~district~~ political subdivision as provided by law. Thirty days before the petition is  
26.2 delivered to the state auditor it shall be presented to the appropriate ~~city or school district~~  
26.3 clerk or chief administrative officer of the political subdivision and the county auditor.  
26.4 The county auditor shall determine and certify whether the petition is signed by the  
26.5 required number of registered voters or eligible voters as the case may be. The certificate  
26.6 shall be conclusive evidence thereof in any action or proceeding for the recovery of the  
26.7 costs, charges, and expenses of any examination made pursuant to the petition.

26.8 Sec. 16. Minnesota Statutes 2006, section 6.55, is amended to read:

26.9 **6.55 EXAMINATION OF RECORDS PURSUANT TO RESOLUTION OF**  
26.10 **GOVERNING BODY.**

26.11 The governing body of any ~~city, town, county or school district,~~ political subdivision  
26.12 by appropriate resolution may ask the state auditor to examine the books, records,  
26.13 accounts and affairs of their government, or of any organizational unit, activity, project,  
26.14 enterprise, or fund thereof; and the state auditor shall examine the same upon receiving,  
26.15 pursuant to said resolution, a written request signed by a majority of the members of the  
26.16 governing body; and the governing body of any ~~public utility commission, or of any~~  
26.17 ~~public corporation having a body politic and corporate~~ political subdivision, or of any  
26.18 instrumentality joint or several of any ~~city, town, county, or school district~~ political  
26.19 subdivision, may request an audit of its books, records, accounts and affairs in the same  
26.20 manner; provided that the scope of the examination may be limited by the request, but  
26.21 such examination shall cover, at least, all cash received and disbursed and the transactions  
26.22 relating thereto. Such written request shall be presented to the clerk, ~~or~~ recording officer,  
26.23 or chief administrative officer of such city, town, county, school district, public utility  
26.24 ~~commission, public corporation,~~ the political subdivision or instrumentality, before  
26.25 being presented to the state auditor, who shall determine whether the same is signed  
26.26 by a majority of the members of such governing body and, if found to be so signed,  
26.27 shall certify such fact, and the fact that such resolution was passed, which certificate  
26.28 shall be conclusive evidence thereof in any action or proceedings for the recovery of the  
26.29 costs, charges and expenses of any examination made pursuant to such request. Nothing  
26.30 contained in any of the laws of the state relating to the state auditor, shall be so construed  
26.31 as to prevent any ~~county, city, town, or school district~~ political subdivision from employing  
26.32 a certified public accountant to examine its books, records, accounts, and affairs. For the  
26.33 purposes of this section, the governing body of a town is the town board.

27.1 Sec. 17. Minnesota Statutes 2006, section 6.551, is amended to read:

27.2 **6.551 EXAMINATION OF GRANTEEES AND CONTRACTORS OF LOCAL**  
 27.3 **GOVERNMENTS POLITICAL SUBDIVISIONS.**

27.4 The state auditor may examine the books, records, documents, and accounting  
 27.5 procedures and practices of a contractor or grantee of a local government political  
 27.6 subdivision pursuant to section 16C.05, subdivision 5. The examination shall be limited to  
 27.7 the books, records, documents, and accounting procedures and practices that are relevant  
 27.8 to the contract or transaction with the local government political subdivision.

27.9 Sec. 18. Minnesota Statutes 2006, section 6.57, is amended to read:

27.10 **6.57 COST OF EXAMINATION, COLLECTION.**

27.11 On July ~~first~~, 1 of each year, the state auditor shall certify all uncollected claims for  
 27.12 the examination of any ~~county, city, town, or school district~~ political subdivision  
 27.13 that have remained unpaid for a period of three months from the date of such claim. The  
 27.14 auditor shall forthwith notify the clerk, ~~or~~ recording officer, or chief administrative officer  
 27.15 of each ~~county, city, town, or school district~~ political subdivision against which the state  
 27.16 has a claim that, if the same is not paid, with interest at the rate of six percent per annum  
 27.17 from the date of the claim, within 90 days, the full amount thereof will be certified to the  
 27.18 county auditor of the county having such examination, or to the county auditor for the  
 27.19 county or counties in which ~~such city, town, or school district~~ the political subdivision is  
 27.20 situated, for collection by special tax levy, as herein provided. Such notice shall be served  
 27.21 by certified mail and the deposit thereof in the United States mail shall constitute due and  
 27.22 legal service thereof upon the ~~county, city, town, or school district~~ political subdivision.

27.23 Sec. 19. Minnesota Statutes 2006, section 6.59, is amended to read:

27.24 **6.59 CLAIM OF STATE FOR COST OF EXAMINATION, CONTEST.**

27.25 On or before September ~~first~~ 1 of each year, following service of the notice, any ~~such~~  
 27.26 ~~county, city, town, or school district~~ political subdivision may serve notice, in writing,  
 27.27 upon the attorney general that it desires to contest the legality of the state's claim, and  
 27.28 the attorney general shall forthwith file with the court administrator of the district court  
 27.29 of the county having such examination, or in which ~~such city, town, or school district~~  
 27.30 the political subdivision, or major part thereof, is situated, a verified statement of the  
 27.31 state's claim, duly itemized and serve upon the auditor ~~or~~, clerk, or chief administrative  
 27.32 officer of ~~such county, city, town, or school district~~ the political subdivision, by certified  
 27.33 mail, a copy of such statement. ~~Such county, city, town, or school district~~ The political

28.1 subdivision may file with the court administrator of such district court, within ten days  
 28.2 after the service of such statement upon it, verified objections to the state's claim, and such  
 28.3 district court shall thereupon summarily, in or out of term, hear and determine the amount  
 28.4 due the state, if any, for such examination, at a time and place fixed by the court therefor.  
 28.5 The court administrator of court shall certify to the county auditor of the county having  
 28.6 such examination, or to the county auditor of the county or counties in which ~~such city,~~  
 28.7 ~~town, or school district~~ the political subdivision is situated, the amount so determined  
 28.8 by the court to be due to the state, if any.

28.9 Sec. 20. Minnesota Statutes 2006, section 6.60, is amended to read:

28.10 **6.60 STATE AUDITOR, CERTIFICATION OF AMOUNTS DUE.**

28.11 On October ~~first,~~ 1 of each year, the state auditor shall certify the respective amounts  
 28.12 due the state from the various ~~counties, cities, towns, and school districts~~ political  
 28.13 subdivisions, including interest computed to July first, following, to the county auditor of  
 28.14 the county having such examination, or to the county auditor of the county in which any  
 28.15 ~~such city, town, or school district~~ political subdivision is, in whole or in part, situated. The  
 28.16 county auditor, upon receiving a certificate from the state auditor, or a certificate from the  
 28.17 court administrator, as provided in section 6.59, shall include the amount of the state's  
 28.18 claim, with 25 percent added, in the tax levy for general revenue purposes of the ~~county or~~  
 28.19 ~~municipality~~ political subdivision liable therefor, and such additional levy shall not be  
 28.20 within any limitation imposed by law upon the amount of taxes which may be levied for  
 28.21 revenue purposes. Upon completion of the June tax settlement following such levy the  
 28.22 county treasurer shall deduct from the amount apportioned to the ~~county or municipality~~  
 28.23 political subdivision for general revenue purposes, the amount due the state, including  
 28.24 interest, and remit the same to the commissioner of finance.

28.25 Sec. 21. Minnesota Statutes 2006, section 6.62, subdivision 2, is amended to read:

28.26 Subd. 2. **Cost of postaudit.** The amount of said levy shall be the amount of the  
 28.27 claim or claims submitted by the state auditor for such services or the auditor's estimate of  
 28.28 the entire cost, and said amount shall be certified by the governing body, after the request  
 28.29 or petition for the audit has been filed, to the county auditor, along with amounts requested  
 28.30 for other governmental purposes. If such levy has been made in excess of statutory  
 28.31 limitations, and if the request or petition is withdrawn after the amount of the levy has  
 28.32 been certified but the levy cannot be canceled because it has been spread on the tax lists,  
 28.33 the governing body shall cause the proceeds of such levy to be transferred to the general  
 28.34 fund and reduce the succeeding year's levy for general purposes accordingly. Provided,

29.1 however, ~~counties, cities, and other governmental units~~ political subdivisions whose  
29.2 financial affairs are required by statute or charter to be audited at regular intervals may  
29.3 levy annually or biennially in anticipation of the audit expense, without the presentment of  
29.4 such claim or estimate by the state auditor.

29.5 Sec. 22. Minnesota Statutes 2006, section 6.63, is amended to read:

29.6 **6.63 APPLICATION.**

29.7 The units of government set forth in sections ~~6.56, 6.465, 6.57, 6.59, 6.60, and 6.62~~  
29.8 shall be construed, where applicable, to include, in addition to those therein specifically  
29.9 named, public utility commissions, public corporations, and instrumentalities.

29.10 Sec. 23. Minnesota Statutes 2006, section 6.64, is amended to read:

29.11 **6.64 COOPERATION WITH PUBLIC ACCOUNTANTS; PUBLIC**  
29.12 **ACCOUNTANT DEFINED.**

29.13 There shall be mutual cooperation between the state auditor and public accountants  
29.14 in the performance of auditing, accounting, and other related services for ~~counties, cities,~~  
29.15 ~~towns, school districts, and other public corporations~~ political subdivisions. For the  
29.16 purposes of sections 6.64 to 6.71 and section 6.756, the term public accountant shall have  
29.17 the meaning ascribed to it in section 412.222.

29.18 Sec. 24. Minnesota Statutes 2006, section 6.65, is amended to read:

29.19 **6.65 MINIMUM PROCEDURES FOR AUDITORS, PRESCRIBED.**

29.20 The state auditor shall prescribe minimum procedures and the audit scope for  
29.21 auditing the books, records, accounts, and affairs of ~~counties and local governments~~  
29.22 political subdivisions in Minnesota. The minimum scope for audits of all ~~local~~  
29.23 ~~governments~~ political subdivisions must include financial and legal compliance audits.  
29.24 Audits of all school districts must include a determination of compliance with uniform  
29.25 financial accounting and reporting standards. The state auditor shall promulgate an  
29.26 audit guide for legal compliance audits, in consultation with representatives of the state  
29.27 auditor, the attorney general, towns, cities, counties, school districts, and private sector  
29.28 public accountants.

29.29 Sec. 25. Minnesota Statutes 2006, section 6.66, is amended to read:

29.30 **6.66 CERTAIN PRACTICES OF PUBLIC ACCOUNTANTS AUTHORIZED.**

30.1 Any public accountant may engage in the practice of auditing the books, records,  
 30.2 accounts, and affairs of ~~counties, cities, towns, school districts, and other public~~  
 30.3 ~~corporations which~~ political subdivisions that are not otherwise required by law to be  
 30.4 audited exclusively by the state auditor.

30.5 Sec. 26. Minnesota Statutes 2006, section 6.67, is amended to read:

30.6 **6.67 PUBLIC ACCOUNTANTS; REPORT OF EVIDENCE POINTING TO**  
 30.7 **MISCONDUCT.**

30.8 Whenever a public accountant in the course of auditing the books and affairs of a  
 30.9 ~~county, city, town, school district, or other public corporations,~~ political subdivision shall  
 30.10 discover evidence pointing to nonfeasance, misfeasance, or malfeasance, on the part of  
 30.11 an officer or employee in the conduct of duties and affairs, the public accountant shall  
 30.12 promptly make a report of such discovery to the state auditor and the county attorney of  
 30.13 the county in which the ~~governmental unit~~ political subdivision is situated and the public  
 30.14 accountant shall also furnish a copy of the report of audit upon completion to said officers.  
 30.15 The county attorney shall act on such report in the same manner as required by law for  
 30.16 reports made to the county attorney by the state auditor.

30.17 Sec. 27. Minnesota Statutes 2006, section 6.68, is amended to read:

30.18 **6.68 STATE AUDITOR MAY ASSIST PUBLIC ACCOUNTANT IN AUDIT.**

30.19 Subdivision 1. **Request to governing body.** If in an audit of a ~~county, city, town,~~  
 30.20 ~~school district, or other public corporation,~~ political subdivision a public accountant has  
 30.21 need of the assistance of the state auditor, the accountant may obtain such assistance  
 30.22 by requesting the governing body of the ~~governmental unit~~ political subdivision being  
 30.23 examined to request the state auditor to perform such auditing or investigative services, or  
 30.24 both, as the matter and the public interest require.

30.25 Subd. 2. **Auditor's report; payment.** The state auditor shall work in close  
 30.26 cooperation with the public accountant in rendering the services so requested and the  
 30.27 state auditor shall make such report of findings to the county attorney as is required by  
 30.28 law to be made of nonfeasance, misfeasance, and malfeasance discovered by the state  
 30.29 auditor. The ~~governmental unit~~ political subdivision shall be liable for the payment of  
 30.30 such services so performed by the state auditor in the same manner as if it had requested  
 30.31 the services pursuant to section 6.55.

31.1 Sec. 28. Minnesota Statutes 2006, section 6.70, is amended to read:

31.2 **6.70 ACCESS TO REPORTS.**

31.3 The state auditor and the public accountants shall have reasonable access to each  
31.4 other's audit reports, working papers, and audit programs concerning audits made by each  
31.5 of ~~counties, cities, towns, school districts, and other public corporations~~ the political  
31.6 subdivisions.

31.7 Sec. 29. Minnesota Statutes 2006, section 6.71, is amended to read:

31.8 **6.71 SCOPE OF AUDITOR'S INVESTIGATION.**

31.9 Whenever the governing body of a ~~county, city, town, or school district~~ political  
31.10 subdivision shall have requested a public accountant to make an audit of its books and  
31.11 affairs, and such audit is in progress or has been completed, and registered voters or  
31.12 electors petition or the governing body requests or both the state auditor to make an  
31.13 examination covering the same, or part of the same, period, the state auditor may, in the  
31.14 public interest, limit the scope of the examination to less than that specified in section  
31.15 6.54, but the scope shall cover, at least, an investigation of those complaints which are  
31.16 within the state auditor's powers and duties to investigate.

31.17 Sec. 30. Minnesota Statutes 2006, section 6.715, is amended by adding a subdivision  
31.18 to read:

31.19 Subd. 5. **Review of data; data protection.** If, before releasing a report, the state  
31.20 auditor provides a person with data relating to the audit for the purpose of review and  
31.21 verification of the data, the person must protect the data from unlawful disclosure or be  
31.22 subject to the penalties and liabilities provided in sections 13.08 and 13.09.

31.23 Sec. 31. **[6.756] SPECIAL DISTRICTS; INFORMATION REQUIRED TO BE**  
31.24 **FILED WITH STATE AUDITOR; AUDITS.**

31.25 Subdivision 1. **Governance documents must be filed.** Each special district must  
31.26 file with the state auditor, within 60 days of adoption, any document relating to the  
31.27 governance of the district, including articles of incorporation, bylaws, or agreements,  
31.28 and any amendment to these documents.

31.29 Subd. 2. **Audit requirements.** (a) A special district with total annual revenue  
31.30 greater than the threshold amount for cities under section 412.591, subdivision 3,  
31.31 paragraph (b), must provide for an annual audit of the district's financial affairs by the  
31.32 state auditor or a public accountant in accordance with minimum auditing procedures  
31.33 prescribed by the state auditor.

32.1 (b) A special district with total annual revenue that is equal to or less than the  
 32.2 threshold amount for cities under section 412.591, subdivision 3, paragraph (b), must  
 32.3 provide for an audit of the district's financial affairs by the state auditor or a public  
 32.4 accountant in accordance with minimum audit procedures prescribed by the state auditor  
 32.5 at least once every five years. The audit must be for a one-year period to be determined  
 32.6 at random by the person conducting the audit. The audited financial statement must be  
 32.7 prepared in a form prescribed by the state auditor similar to the reporting requirements for  
 32.8 cities under 2,500 in population. For any year in which a special district is not audited,  
 32.9 the district must prepare a financial statement in a form prescribed by the state auditor  
 32.10 similar to the reporting requirements for cities reporting on a cash basis and file that  
 32.11 statement with the state auditor.

32.12 (c) This subdivision does not apply to a special district subject to financial auditing  
 32.13 and reporting requirements under other law.

32.14 Subd. 3. **Presentation to governing board; filing with state auditor.** Except as  
 32.15 provided by other law, financial statements and audits must be completed, presented to the  
 32.16 district's governing board, and filed with the state auditor within 180 days after the end of  
 32.17 the district's fiscal year.

32.18 Sec. 32. Minnesota Statutes 2006, section 6.76, is amended to read:

32.19 **6.76 LOCAL GOVERNMENTAL POLITICAL SUBDIVISION**  
 32.20 **EXPENDITURES FOR LOBBYISTS.**

32.21 (a) On or before January 31 of each year, all ~~counties, cities, school districts,~~  
 32.22 ~~metropolitan agencies, regional railroad authorities, and the Metropolitan Council~~ political  
 32.23 subdivisions shall report to the state auditor, on forms prescribed by the auditor, their  
 32.24 estimated expenditures paid for the previous calendar year to a lobbyist as defined in  
 32.25 section 10A.01, subdivision 21, except payments to associations of ~~local governments~~  
 32.26 political subdivisions that are reported under paragraph (b), and to any staff person not  
 32.27 registered as a lobbyist, over 25 percent of whose time is spent during the legislative  
 32.28 session on legislative matters.

32.29 (b) Associations of ~~local governments~~ political subdivisions subject to this section  
 32.30 shall report annually, on or before January 31, to the state auditor and the association's  
 32.31 members the proportionate amount of each member's dues spent for lobbying purposes.

32.32 (c) For purposes of this section, "political subdivision" has the meaning given in  
 32.33 section 6.465, but also includes a metropolitan or regional agency or a public corporation  
 32.34 audited by the legislative auditor.

33.1       Sec. 33. **[8.37] ASSISTANCE TO VETERANS.**

33.2             The attorney general may advise and assist veterans and their families as to services  
33.3 available from public and private agencies. For purposes of this section, "veteran" means  
33.4 any veteran or active member of the United States armed services, including the National  
33.5 Guard and Reserves.

33.6       Sec. 34. **[11A.27] REPORT ON INVESTMENT CONSULTANT ACTIVITIES**  
33.7 **AND DELIVERABLES.**

33.8             (a) Annually, on or before November 1, the State Board of Investment shall file a  
33.9 report with the Legislative Reference Library on the activities and work product during  
33.10 that year of any investment consultants retained by the board.

33.11            (b) The report must include the following items:

33.12            (1) the total contract fee paid to each investment consultant;

33.13            (2) a listing of the projects in which the investment consultant was involved; and

33.14            (3) examples of the written work product provided by the investment consultant on  
33.15 those projects during the report coverage period.

33.16            **EFFECTIVE DATE.** This section is effective June 30, 2007.

33.17       Sec. 35. **[12.62] MINNESOTA LEGISLATIVE COMMISSION ON TERRORISM**  
33.18 **AND DISASTER PREPAREDNESS.**

33.19            Subdivision 1. **Creation; duties.** The Legislative Commission on Terrorism and  
33.20 Disaster Preparedness is established to:

33.21            (1) advise the legislature on issues related to homeland security, emergency  
33.22 management, man-made and natural disasters, terrorism, bioterrorism, public health  
33.23 emergencies, and vulnerabilities in the public and private infrastructures;

33.24            (2) oversee the disaster preparation activities of the Department of Health,  
33.25 Department of Public Safety, and any other state agency, office, commission, or board that  
33.26 is within the commission's purview, and make recommendations to these organizations of  
33.27 changes or additions to the organizations' disaster preparedness and risk reduction work  
33.28 plans that the commission deems advisable; and

33.29            (3) make policy and finance recommendations to improve the state's public and  
33.30 private capacity to prevent, respond to, and recover from man-made and natural threats to  
33.31 the state.

33.32            Subd. 2. **Membership.** (a) The commission consists of:

33.33            (1) three members of the house of representatives, one of whom must be a member  
33.34 of the minority party, to be appointed by the speaker of the house of representatives;

34.1 (2) three members of the senate, one of whom must be a member of the minority  
34.2 party, to be appointed by the senate majority leader;

34.3 (3) the commissioner of public safety, or a designee, as an ex-officio member;

34.4 (4) the commissioner of health, or a designee, as an ex-officio member;

34.5 (5) the attorney general, or a designee, as an ex-officio member;

34.6 (6) two citizen members with relevant expertise, selected by the speaker of the  
34.7 house of representatives;

34.8 (7) two citizen members with relevant expertise, selected by the senate majority  
34.9 leader;

34.10 (8) two citizen members, selected by the speaker of the house of representatives; and

34.11 (9) two citizen members, selected by the senate majority leader.

34.12 (b) Members serve for a term expiring at the close of each regular session of the  
34.13 legislature but continue to serve until their successors are appointed. Members may be  
34.14 reappointed. The appointing authority shall fill vacancies.

34.15 (c) One member, elected by a majority of members, shall serve as the commission  
34.16 chair. The commission chair should have relevant subject matter education, training, and  
34.17 experience. The commission is authorized to elect a vice-chair and other officers as it  
34.18 deems necessary. The commission shall determine the duties of each officer.

34.19 (d) The commission chair shall convene meetings of the commission on a regular  
34.20 basis.

34.21 Subd. 3. **Compensation.** Compensation of legislative members is as provided in  
34.22 section 3.101. Compensation of the remaining members is as provided in section 15.0575.

34.23 Subd. 4. **Staff.** The commission may appoint and fix the compensation of such  
34.24 additional legal and other personnel and consultants or contract for services to supply  
34.25 necessary data as may be necessary to enable the commission to carry out its functions.

34.26 Subd. 5. **Data from state agencies; availability.** The commission may request  
34.27 information from any state officer or agency or political subdivision of the state in order to  
34.28 assist the commission in carrying out its duties and the state officer, agency, or subdivision  
34.29 must promptly furnish any data required, subject to applicable requirements or restrictions  
34.30 imposed by chapter 13 and section 15.17.

34.31 Subd. 6. **Report.** By January 15 of each year, the commission must submit a  
34.32 report that contains the commission's policy and appropriation recommendations to the  
34.33 legislature, the commissioner of health, and the commissioner of public safety.

34.34 Subd. 7. **Repeal.** This section is repealed June 30, 2011.

34.35 **EFFECTIVE DATE.** This section is effective July 1, 2007.

35.1 Sec. 36. [13.595] GRANTS.

35.2 Subdivision 1. Definitions. For purposes of this section, the following terms have  
35.3 the meanings given them.

35.4 (a) "Completion of the evaluation process" means that the granting agency has  
35.5 completed negotiating the grant agreement with the selected grantee.

35.6 (b) "Grant agreement" means the document that details the responsibilities of the  
35.7 grantee and the granting agency and the value to be provided to the grantee.

35.8 (c) "Grantee" means a person that applies for or receives a grant.

35.9 (d) "Granting agency" means the government entity that provides the grant.

35.10 (e) "Opened" means the act that occurs once the deadline for submitting a response  
35.11 to a proposal to the granting agency has been reached.

35.12 (f) "Request for proposal" means the data outlining the responsibilities the granting  
35.13 agency wants the grantee to assume.

35.14 (g) "Response" means the data submitted by a grantee as required by a request for  
35.15 proposal.

35.16 Subd. 2. Request for applications. Data created by a granting agency to create a  
35.17 request for proposal is classified as nonpublic until the request for proposal is published.

35.18 To the extent that a granting agency involves persons outside the granting agency to create  
35.19 the request for proposal, the data remain nonpublic in the hands of all persons who may  
35.20 not further disseminate any data that are created or reviewed as part of the request for  
35.21 proposal development. At publication, the data in the request for proposal is public.

35.22 Subd. 3. Responses to request for proposals. (a) Responses submitted by a grantee  
35.23 are private or nonpublic until the responses are opened. Once the responses are opened,  
35.24 the name and address of the grantee and the amount requested is public. All other data in a  
35.25 response is private or nonpublic data until completion of the evaluation process. After a  
35.26 granting agency has completed the evaluation process, all remaining data in the responses  
35.27 is public with the exception of trade secret data as defined and classified in section 13.37.  
35.28 A statement by a grantee that the response is copyrighted or otherwise protected does  
35.29 not prevent public access to the response.

35.30 (b) If all responses are rejected prior to completion of the evaluation process,  
35.31 all data, other than that made public at the opening, remain private or nonpublic  
35.32 until a resolicitation of proposals results in completion of the evaluation process or a  
35.33 determination is made to abandon the grant. If the rejection occurs after the completion of  
35.34 the evaluation process, the data remain public. If a resolicitation of proposals does not  
35.35 occur within one year of the grant opening date, the remaining data become public.

36.1 Subd. 4. **Evaluation data.** (a) Data created or maintained by a granting agency as  
 36.2 part of the evaluation process referred to in this section are protected nonpublic data until  
 36.3 completion of the evaluation process at which time the data are public with the exception  
 36.4 of trade secret data as defined and classified in section 13.37.

36.5 (b) If a granting agency asks individuals outside the granting agency to assist with  
 36.6 the evaluation of the responses, the granting agency may share not public data in the  
 36.7 responses with those individuals. The individuals participating in the evaluation may not  
 36.8 further disseminate the not public data they review.

36.9 Sec. 37. Minnesota Statutes 2006, section 13.605, subdivision 1, is amended to read:

36.10 Subdivision 1. **Legislative and budget proposal data.** (a) **Definition.** As used  
 36.11 in this section, "state administration" means the governor's office, the Department of  
 36.12 Finance, and any state agency that is under the direct control of the governor.

36.13 (b) **Classifications.** Legislative and budget proposals, including preliminary  
 36.14 drafts, that are created, collected, or maintained by the state administration are protected  
 36.15 nonpublic data. ~~After~~ until the budget is presented to the legislature by the state  
 36.16 administration, ~~supporting data, including agency requests, and~~ are public data after the  
 36.17 budget is presented to the legislature. ~~Supporting data do not include preliminary drafts.~~  
 36.18 The state administration may disclose any of the data within the state administration and  
 36.19 to the public at any time if disclosure would aid the administration in considering and  
 36.20 preparing its proposals.

36.21 Sec. 38. **[15B.055] PARKING SPACES.**

36.22 To provide the public with greater access to legislative proceedings, all parking  
 36.23 spaces on Aurora Avenue in front of the Capitol building must be reserved for the public.

36.24 Sec. 39. Minnesota Statutes 2006, section 15B.17, subdivision 1, is amended to read:

36.25 Subdivision 1. **Proposals.** (a) Before a state agency or other public body develops;  
 36.26 ~~to submit to the legislature and the governor;~~ a budget proposal or plans for capital  
 36.27 improvements within the Capitol Area to submit to the legislature and the governor,  
 36.28 it must consult with the board.

36.29 (b) The public body must provide enough money for the board's review and planning  
 36.30 if the board decides its review and planning services are necessary. Money received by the  
 36.31 board under this subdivision is deposited in the special revenue fund and appropriated to  
 36.32 the board.

37.1 Sec. 40. Minnesota Statutes 2006, section 16A.103, subdivision 1e, is amended to read:

37.2 Subd. 1e. **Economic information.** The commissioner must review economic  
37.3 information including economic forecasts with legislative fiscal staff no later than two  
37.4 weeks before the forecast is released. The commissioner must invite the chairs and lead  
37.5 minority members of the senate ~~State Government~~ Finance Committee and the house  
37.6 Ways and Means Committee, and legislative fiscal staff to attend any meetings held with  
37.7 outside economic advisors. The commissioner must provide legislative fiscal staff with  
37.8 monthly economic forecast information received from outside sources.

37.9 Sec. 41. **[16A.104] BASE BUDGET DETAIL.**

37.10 Within one week of the release of the budget forecasts required in section 16A.103  
37.11 in November of an even-numbered year and February of an odd-numbered year, the  
37.12 commissioner of finance must provide to the legislature information that illustrates how the  
37.13 base level budget for the next biennium is projected to be spent. In designing the report,  
37.14 the commissioner must consult with the chairs of the house of representatives and senate  
37.15 Finance Committees and the house of representatives Committee on Ways and Means.

37.16 Sec. 42. **[16A.107] CASH FLOW FORECAST.**

37.17 Within two weeks after the November forecast of state revenue and expenditures  
37.18 under section 16A.103, the commissioner shall deliver to the governor and the legislature  
37.19 a forecast of cash flow for the general fund, showing the expected maximum and minimum  
37.20 cash balance in the fund for each month of the forecast period.

37.21 Sec. 43. Minnesota Statutes 2006, section 16A.11, is amended by adding a subdivision  
37.22 to read:

37.23 Subd. 3d. **Budget bills.** The necessary bills to implement the governor's operating  
37.24 budget must be submitted to the legislature within two weeks after the operating budget  
37.25 was submitted. The necessary bills to implement the governor's capital budget must be  
37.26 submitted to the legislature within two weeks after the capital budget was submitted.

37.27 Sec. 44. **[16A.117] CONTINUING APPROPRIATIONS.**

37.28 If a major appropriation bill to fund a given state agency for the next biennium has  
37.29 not been passed in the same form by the house of representatives and senate and been  
37.30 presented to the governor before July 1 of an odd-numbered year, amounts sufficient to  
37.31 continue operation of that agency and the programs administered by that agency through  
37.32 July 31 of the fiscal year beginning in the same calendar year at the base level for that

38.1 fiscal year, as determined according to section 16A.11, subdivision 3, and previous  
38.2 appropriation acts, are appropriated to the agency from the appropriate funds and accounts  
38.3 in the state treasury. The base level for an appropriation that was designated as onetime or  
38.4 was onetime in nature is zero. Determination of the amount appropriated may be made  
38.5 on a proration of the annual amount or another reasonable basis as determined by the  
38.6 commissioner of finance.

38.7 Sec. 45. Minnesota Statutes 2006, section 16A.1286, subdivision 2, is amended to read:

38.8 Subd. 2. **Billing procedures.** The commissioner may bill up to \$7,520,000 in  
38.9 each fiscal year for statewide systems services provided to state agencies, judicial branch  
38.10 agencies, the University of Minnesota, the Minnesota State Colleges and Universities,  
38.11 and other entities. ~~Billing must be based only on usage of services relating to statewide~~  
38.12 ~~systems provided by the Intertechnologies Division.~~ Each agency shall transfer from  
38.13 agency operating appropriations to the statewide systems account the amount billed by  
38.14 the commissioner. Billing policies and procedures related to statewide systems services  
38.15 must be developed by the commissioner in consultation with the commissioners of  
38.16 employee relations and administration, the University of Minnesota, and the Minnesota  
38.17 State Colleges and Universities.

38.18 Sec. 46. **[16B.327] DEFINITIONS.**

38.19 Subdivision 1. **Application.** For the purposes of section 16B.328, the definitions  
38.20 in this section have the meanings given.

38.21 Subd. 2. **Energy conservation.** "Energy conservation" means reducing energy use  
38.22 and includes: (1) using a light with lower wattage; and (2) using devices such as time  
38.23 controls, motion detectors, or on and off switches that limit unnecessary use of lighting.

38.24 Subd. 3. **Cutoff luminaire.** "Cutoff luminaire" means a luminaire in which 2.5  
38.25 percent or less of the lamp lumens are emitted above a horizontal plane through the  
38.26 luminaire's lowest part and ten percent or less of the lamp lumens are emitted at a vertical  
38.27 angle 80 degrees above the luminaire's lowest point.

38.28 Subd. 4. **Light pollution.** "Light pollution" means the shining of light produced by  
38.29 a luminaire above the height of the luminaire and into the sky.

38.30 Subd. 5. **Lumen.** "Lumen" means a unit of luminous flux. One footcandle is one  
38.31 lumen per square foot. For purposes of section 16B.328, the lumen-output values are  
38.32 the initial lumen output rating of the lamp.

38.33 Subd. 6. **Luminaire** "Luminaire" means a complete lighting unit consisting of a  
38.34 light source and all necessary mechanical, electrical, and decorative parts.

39.1 Subd. 7. **Outdoor lighting fixture.** "Outdoor lighting fixture" means any type of  
39.2 fixed or movable lighting equipment that is designed or used for illumination outdoors.  
39.3 The term includes billboard lighting, streetlights, searchlights, and other lighting used for  
39.4 advertising purposes and area lighting. The term does not include lighting equipment  
39.5 that is required by law to be installed on motor vehicles or lighting required for the safe  
39.6 operation of aircraft.

39.7 **Sec. 47. [16B.328] STANDARDS FOR STATE FUNDED OUTDOOR LIGHTING**  
39.8 **FIXTURES; MODEL ORDINANCE.**

39.9 Subdivision 1. **Outdoor lighting fixtures.** (a) An outdoor lighting fixture may be  
39.10 installed or replaced using state funds only if:

39.11 (1) the new or replacement outdoor lighting fixture is a cutoff luminaire if the rated  
39.12 output of the outdoor lighting fixture is greater than 1,800 lumens;

39.13 (2) the minimum illuminance adequate for the intended purpose is used with  
39.14 consideration given to nationally recognized standards;

39.15 (3) for lighting of a designated highway of the state highway system, the Department  
39.16 of Transportation determines that the purpose of the outdoor lighting fixture cannot be  
39.17 achieved by the installation of reflective road markers, lines, warning or informational  
39.18 signs, or other effective passive methods; and

39.19 (4) full consideration has been given to energy conservation and savings, reducing  
39.20 glare, minimizing light pollution, and preserving the natural night environment.

39.21 (b) Paragraph (a) does not apply if:

39.22 (1) a federal law, rule, or regulation preempts state law;

39.23 (2) the outdoor lighting fixture is used on a temporary basis because emergency  
39.24 personnel require additional illumination for emergency procedures;

39.25 (3) the outdoor lighting fixture is used on a temporary basis for nighttime work;

39.26 (4) special events or situations require additional illumination, provided that the  
39.27 illumination installed shields the outdoor lighting fixtures from direct view and minimizes  
39.28 upward lighting and light pollution;

39.29 (5) the outdoor lighting fixture is used solely to highlight the aesthetic aspects of  
39.30 a single object or distinctive building; or

39.31 (6) a compelling safety interest exists that cannot be addressed by another method.

39.32 (c) This subdivision does not apply to the operation and maintenance of lights or  
39.33 lighting systems purchased or installed, or for which design work is completed, before  
39.34 August 1, 2007.

40.1 (d) This section does not apply if a state agency or local unit of government  
 40.2 determines that compliance with this section would:

40.3 (i) require an increased use of electricity;

40.4 (ii) increase the construction cost of a lighting system more than 15 percent over the  
 40.5 construction cost of a lighting system that does not comply with this section;

40.6 (iii) increase the cost of operation and maintenance of the lighting system more than  
 40.7 ten percent over the cost of operating and maintaining the existing lighting system over  
 40.8 the life of the lighting system; or

40.9 (iv) result in a negative safety impact.

40.10 Subd. 2. **Model ordinance.** The commissioner of administration, in consultation  
 40.11 with the commissioner of commerce, associations for local governments, and any other  
 40.12 interested person, shall develop a model ordinance that can be adapted for use by cities,  
 40.13 counties, and towns, governing outdoor lighting to reduce light pollution. The model  
 40.14 ordinance must include provisions addressing elements similar to those in subdivision 1.  
 40.15 In addition, the model ordinance must address:

40.16 (1) standards for lighting on private property, outdoor advertising, lighting on  
 40.17 commercial, industrial, or institutional property, canopies covering fueling stations, and  
 40.18 public streets, sidewalks, and alleys;

40.19 (2) how illumination levels should be measured;

40.20 (3) possible exemptions, such as for temporary emergency or hazard lighting;

40.21 (4) recommended elements for an exterior lighting plan for a development;

40.22 (5) treatment of nonconforming lighting;

40.23 (6) lighting standards that might apply in special subdistricts;

40.24 (7) light pole maximum heights; and

40.25 (8) light trespass.

40.26 Sec. 48. Minnesota Statutes 2006, section 16B.35, subdivision 1, is amended to read:

40.27 Subdivision 1. **Percent of appropriations for art.** An appropriation for the  
 40.28 construction or alteration of any state building may contain an amount not to exceed  
 40.29 ~~the lesser of \$100,000 or one percent of the total appropriation for the building for the~~  
 40.30 acquisition of works of art, excluding landscaping, which may be an integral part of the  
 40.31 building or its grounds, attached to the building or grounds or capable of being displayed  
 40.32 in other state buildings. ~~If the appropriation for works of art is limited by the \$100,000~~  
 40.33 ~~cap in this section, the appropriation for the construction or alteration of the building must~~  
 40.34 ~~be reduced to reflect the reduced amount that will be spent on works of art.~~ Money used  
 40.35 for this purpose is available only for the acquisition of works of art to be exhibited in areas

41.1 of a building or its grounds accessible, on a regular basis, to members of the public. No  
41.2 more than ten percent of the total amount available each fiscal year under this subdivision  
41.3 may be used for administrative expenses, either by the commissioner of administration or  
41.4 by any other entity to whom the commissioner delegates administrative authority. For the  
41.5 purposes of this section "state building" means a building the construction or alteration of  
41.6 which is paid for wholly or in part by the state.

41.7 **EFFECTIVE DATE.** This section is effective July 1, 2007. The repeal of the  
41.8 \$100,000 limit in this section applies to appropriations made before, on, or after that date.

41.9 **Sec. 49. [16B.97] GRANTS MANAGEMENT.**

41.10 Subdivision 1. **Grant agreement.** (a) A grant agreement is a written instrument  
41.11 or electronic document defining a legal relationship between a granting agency and a  
41.12 grantee when the principal purpose of the relationship is to transfer cash or something of  
41.13 value to the recipient to support a public purpose authorized by law instead of acquiring  
41.14 by professional/technical contract, purchase, lease, or barter property or services for the  
41.15 direct benefit or use of the granting agency.

41.16 (b) This section does not apply to capital project grants to political subdivisions as  
41.17 defined by section 16A.86.

41.18 Subd. 2. **Grants governance.** The commissioner shall provide leadership and  
41.19 direction for policy related to grants management in Minnesota in order to foster more  
41.20 consistent, streamlined interaction between executive agencies, funders, and grantees that  
41.21 will enhance access to grant opportunities and information and lead to greater program  
41.22 accountability and transparency. The commissioner has the duties and powers stated in this  
41.23 section. An executive agency must do what the commissioner requires under this section.

41.24 Subd. 3. **Discretionary powers.** The commissioner has the authority to:

41.25 (1) review grants management practices and propose policy and procedure  
41.26 improvements to the governor, legislature, executive agencies, and the federal government;

41.27 (2) sponsor, support, and facilitate innovative and collaborative grants management  
41.28 projects with public and private organizations;

41.29 (3) review, recommend, and implement alternative strategies for grants management;

41.30 (4) collect and disseminate information, issue reports relating to grants management,  
41.31 and sponsor and conduct conferences and studies; and

41.32 (5) participate in conferences and other appropriate activities related to grants  
41.33 management issues.

41.34 Subd. 4. **Duties.** (a) The commissioner shall:

42.1 (1) create general grants management policies and procedures that are applicable to  
42.2 all executive agencies. The commissioner may approve exceptions to these policies and  
42.3 procedures for particular grant programs. Exceptions shall expire or be renewed after five  
42.4 years. Executive agencies shall retain management of individual grants programs;

42.5 (2) provide a central point of contact concerning statewide grants management  
42.6 policies and procedures;

42.7 (3) serve as a resource to executive agencies in such areas as training, evaluation,  
42.8 collaboration, and best practices in grants management;

42.9 (4) ensure grants management needs are considered in the development, upgrade,  
42.10 and use of statewide administrative systems and leverage existing technology wherever  
42.11 possible;

42.12 (5) oversee and approve future professional and technical service contracts and  
42.13 other information technology spending related to executive agency grants management  
42.14 activities;

42.15 (6) provide a central point of contact for comments about executive agencies  
42.16 violating statewide grants governance policies and about fraud and waste in grants  
42.17 processes;

42.18 (7) forward received comments to the appropriate agency for further action, and  
42.19 may follow up as necessary; and

42.20 (8) provide a single listing of all available executive agency competitive grant  
42.21 opportunities and resulting grant recipients.

42.22 (b) The commissioner may determine that it is cost-effective for agencies to develop  
42.23 and use shared grants management technology systems. This system would be governed  
42.24 under section 16E.01, subdivision 3, paragraph (b).

42.25 (c) The duties assigned to the commissioner in this subdivision with respect to  
42.26 grants also apply to easements granted by executive agencies.

42.27 **Sec. 50. [16B.98] GRANT AGREEMENTS.**

42.28 Subdivision 1. **Limitation.** As a condition of receiving a grant from an appropriation  
42.29 of state funds, the recipient of the grant must agree to minimize administrative costs. The  
42.30 granting agency is responsible for negotiating appropriate limits to these costs so that the  
42.31 state derives the optimum benefit for grant funding.

42.32 Subd. 2. **Ethical practices and conflict of interest.** An employee of the executive  
42.33 branch involved directly or indirectly in grants processes, at any level, is subject to the  
42.34 code of ethics in section 43A.38.

43.1 Subd. 3. **Conflict of interest.** (a) The commissioner must develop policies  
43.2 regarding code of ethics and conflict of interest designed to prevent conflicts of interest  
43.3 for employees, committee members, or others involved in the recommendation, award,  
43.4 and administration of grants. The policies must apply to employees who are directly or  
43.5 indirectly in the grants process, which may include the following:

43.6 (1) developing request for proposals or evaluation criteria;

43.7 (2) drafting, recommending, awarding, amending, revising, or entering into grant  
43.8 agreements;

43.9 (3) evaluating or monitoring performance; or

43.10 (4) authorizing payments.

43.11 (b) The policies must include:

43.12 (1) a process to make all parties to the grant aware of policies and laws relating to  
43.13 conflict of interest, and training on how to avoid and address potential conflicts; and

43.14 (2) a process under which those who have a conflict of interest or a potential conflict  
43.15 of interest must disclose the matter.

43.16 (c) If the employee, appointing authority, or commissioner determines that a conflict  
43.17 of interest exists, the matter shall be assigned to another employee who does not have a  
43.18 conflict of interest. If it is not possible to assign the matter to an employee who does not  
43.19 have a conflict of interest, interested personnel shall be notified of the conflict and the  
43.20 employee may proceed with the assignment.

43.21 Subd. 4. **Reporting of violations.** A state employee who discovers evidence  
43.22 of violation of laws or rules governing grants is encouraged to report the violation or  
43.23 suspected violation to the employee's supervisor, the commissioner or the commissioner's  
43.24 designee, or the legislative auditor. The legislative auditor shall report to the Legislative  
43.25 Audit Commission if there are multiple complaints about the same agency. The auditor's  
43.26 report to the Legislative Audit Commission under this section must disclose only the  
43.27 number and type of violations alleged. An employee making a good faith report under this  
43.28 section has the protections provided for under section 181.932, prohibiting the employer  
43.29 from discriminating against the employee.

43.30 Subd. 5. **Creation and validity of grant agreements.** (a) A grant agreement is  
43.31 not valid and the state is not bound by the grant unless:

43.32 (1) the grant has been executed by the head of the agency or a delegate who is  
43.33 party to the grant; and

43.34 (2) the accounting system shows an encumbrance for the amount of the grant in  
43.35 accordance with policy approved by the commissioner.

44.1 (b) The combined grant agreement and amendments must not exceed five years  
44.2 without specific, written approval by the commissioner according to established policy,  
44.3 procedures, and standards, or unless the commissioner determines that a longer duration is  
44.4 in the best interest of the state.

44.5 (c) A fully executed copy of the grant agreement with all amendments and other  
44.6 required records relating to the grant must be kept on file at the granting agency for a time  
44.7 equal to that required of grantees in subdivision 8.

44.8 (d) Grant agreements must comply with policies established by the commissioner  
44.9 for minimum grant agreement standards and practices.

44.10 (e) The attorney general may periodically review and evaluate a sample of state  
44.11 agency grants to ensure compliance with applicable laws.

44.12 Subd. 6. **Grant administration.** A granting agency shall diligently administer  
44.13 and monitor any grant it has entered into.

44.14 Subd. 7. **Grant payments.** Payments to the grantee may not be issued until the  
44.15 grant agreement is fully executed.

44.16 Subd. 8. **Audit.** (a) A grant agreement made by an executive agency must include  
44.17 an expressed or implied audit clause that provides that the books, records, documents,  
44.18 and accounting procedures and practices of the grantee or other party that are relevant to  
44.19 the grant or transaction are subject to examination by the granting agency and either the  
44.20 legislative auditor or the state auditor, as appropriate, for a minimum of six years from the  
44.21 grant agreement end date, receipt and approval of all final reports, or the required period  
44.22 of time to satisfy all state and program retention requirements, whichever is later.

44.23 (b) If the granting agency is a local unit of government, and the governing body of  
44.24 the local unit of government requests that the state auditor examine the books, records,  
44.25 documents, and accounting procedures and practices of the grantee or other party  
44.26 according to this subdivision, the granting agency shall be liable for the cost of the  
44.27 examination. If the granting agency is a local unit of government, and the grantee or other  
44.28 party requests that the state auditor examine all books, records, documents, and accounting  
44.29 procedures and practices related to the grant, the grantee or other party that requested the  
44.30 examination shall be liable for the cost of the examination.

44.31 Subd. 9. **Authority of attorney general.** The attorney general may pursue  
44.32 remedies available by law to avoid the obligation of an agency to pay under a grant or to  
44.33 recover payments made if activities under the grant are so unsatisfactory, incomplete, or  
44.34 inconsistent that payment would involve unjust enrichment. The contrary opinion of the  
44.35 granting agency does not affect the power of the attorney general under this subdivision.

45.1            Subd. 10. **Grants with Indian tribes and bands.** Notwithstanding any other law,  
45.2 an agency may not require an Indian tribe or band to deny its sovereignty as a requirement  
45.3 or condition of a grant with an agency.

45.4            Sec. 51. Minnesota Statutes 2006, section 16C.02, is amended by adding a subdivision  
45.5 to read:

45.6            Subd. 3a. **Best and final offer.** "Best and final offer" means an optional step in  
45.7 the solicitation process in which responders are requested to improve their response by  
45.8 methods including, but not limited to, the reduction of cost, clarification or modification of  
45.9 the response, or the provision of additional information.

45.10          Sec. 52. Minnesota Statutes 2006, section 16C.02, subdivision 4, is amended to read:

45.11          Subd. 4. **Best value.** "Best value" describes a result intended in the acquisition of all  
45.12 goods and services. Price must be one of the evaluation criteria when acquiring goods  
45.13 and services. Other evaluation criteria may include, but are not limited to, environmental  
45.14 considerations, quality, and vendor performance. In achieving "best value" strategic  
45.15 sourcing tools, including but not limited to best and final offers, negotiations, contract  
45.16 consolidation, product standardization, and mandatory-use enterprise contracts shall be  
45.17 used at the commissioner's discretion.

45.18          Sec. 53. Minnesota Statutes 2006, section 16C.02, is amended by adding a subdivision  
45.19 to read:

45.20          Subd. 6a. **Enterprise procurement.** "Enterprise procurement" means the process  
45.21 undertaken by the commissioner to leverage economies of scale of multiple end users to  
45.22 achieve cost savings and other favorable terms in contracts for goods and services.

45.23          Sec. 54. Minnesota Statutes 2006, section 16C.02, subdivision 12, is amended to read:

45.24          Subd. 12. **Request for proposal or RFP.** "Request for proposal" or "RFP" means a  
45.25 solicitation in which it is not advantageous to set forth all the actual, detailed requirements  
45.26 at the time of solicitation and responses are ~~subject to negotiation~~ negotiated to achieve  
45.27 best value for the state.

45.28          Sec. 55. Minnesota Statutes 2006, section 16C.02, subdivision 14, is amended to read:

45.29          Subd. 14. **Response.** "Response" means the offer received from a vendor in  
45.30 response to a solicitation. A response includes submissions commonly referred to as  
45.31 "offers," "bids," "quotes," or "proposals-," "best and final offers," or "negotiated offers."

46.1 Sec. 56. Minnesota Statutes 2006, section 16C.02, is amended by adding a subdivision  
46.2 to read:

46.3 Subd. 20. **Strategic sourcing.** "Strategic sourcing" means methods used to  
46.4 analyze and reduce spending on goods and services, including but not limited to  
46.5 spend analysis, product standardization, contract consolidation, negotiations, multiple  
46.6 jurisdiction purchasing alliances, reverse and forward auctions, life-cycle costing, and  
46.7 other techniques.

46.8 Sec. 57. Minnesota Statutes 2006, section 16C.03, subdivision 2, is amended to read:

46.9 Subd. 2. **Rulemaking authority.** Subject to chapter 14, the commissioner may  
46.10 adopt rules, consistent with this chapter and chapter 16B, relating to the following topics:

46.11 (1) procurement process including solicitations and responses to solicitations, bid  
46.12 security, vendor errors, opening of responses, award of contracts, tied bids, and award  
46.13 protest process;

46.14 (2) contract performance and failure to perform;

46.15 (3) authority to debar or suspend vendors, and reinstatement of vendors;

46.16 (4) contract cancellation;

46.17 (5) procurement from rehabilitation facilities; and

46.18 (6) organizational conflicts of interest.

46.19 Sec. 58. Minnesota Statutes 2006, section 16C.03, subdivision 4, is amended to read:

46.20 Subd. 4. **Contracting authority.** The commissioner shall conduct all contracting by,  
46.21 for, and between agencies and perform all contract management and review functions for  
46.22 contracts, except those functions specifically delegated to be performed by the contracting  
46.23 agency, the attorney general, or otherwise provided for by law. The commissioner may  
46.24 require that agency staff participate in the development of enterprise procurements  
46.25 including the development of product standards, specifications and other requirements.

46.26 Sec. 59. Minnesota Statutes 2006, section 16C.03, subdivision 8, is amended to read:

46.27 Subd. 8. **Policy and procedures.** The commissioner is authorized to issue policies,  
46.28 procedures, and standards applicable to all acquisition activities by and for agencies.

46.29 Consistent with the authority specified in this chapter, the commissioner shall develop  
46.30 and implement policies, procedures, and standards ensuring the optimal use of strategic  
46.31 sourcing techniques.

46.32 Sec. 60. Minnesota Statutes 2006, section 16C.03, subdivision 16, is amended to read:

47.1 Subd. 16. **Delegation of duties.** The commissioner may delegate duties imposed by  
47.2 this chapter to the head of an agency and to any subordinate of the agency head. Delegated  
47.3 duties shall be exercised in the name of the commissioner and under the commissioner's  
47.4 direct supervision and control. A delegation of duties may include, but is not limited to,  
47.5 allowing individuals within agencies to acquire goods, services, and utilities within dollar  
47.6 limitations and for designated types of acquisitions. Delegation of contract management  
47.7 and review functions must be filed with the secretary of state and may not, except with  
47.8 respect to delegations within the Department of Administration, exceed two years in  
47.9 duration. The commissioner may withdraw any delegation at the commissioner's sole  
47.10 discretion. The commissioner may require an agency head or subordinate to accept  
47.11 delegated responsibility to procure goods or services intended for the exclusive use of the  
47.12 agency receiving the delegation.

47.13 Sec. 61. **[16C.046] WEB SITE WITH SEARCHABLE DATABASE ON STATE**  
47.14 **CONTRACTS AND GRANTS.**

47.15 (a) The commissioner of administration must maintain a Web site with a searchable  
47.16 database providing the public with information on state contracts, including grant  
47.17 contracts. The database must include the following information for each state contract  
47.18 valued in excess of \$25,000:

47.19 (1) the name and address of the entity receiving the contract;

47.20 (2) the name of the agency entering into the contract;

47.21 (3) whether the contract is:

47.22 (i) for goods;

47.23 (ii) for professional or technical services;

47.24 (iii) for services other than professional and technical services; or

47.25 (iv) a grant;

47.26 (4) a brief statement of the purpose of the contract or grant;

47.27 (5) the amount of the contract or grant and the fund from which this amount will be  
47.28 paid; and

47.29 (6) the dollar value of state contracts, other than grants, the entity has received in each  
47.30 fiscal year and the dollar value of state grants the entity has received in each fiscal year.

47.31 (b) Required information on a new contract or grant must be entered into the  
47.32 database within 30 days of the time the contract is entered into.

47.33 (c) For purposes of this section, a "grant" is a contract between a state agency and  
47.34 a recipient, the primary purpose of which is to transfer cash or a thing of value to the  
47.35 recipient to support a public purpose. Grant does not include payments to units of local

48.1 government, payments to state employees, or payments made under laws providing for  
48.2 assistance to individuals.

48.3 (d) The database must include information on grants and contracts entered into  
48.4 beginning with fiscal year 2008 funds, and must retain that data for ten years.

48.5 **EFFECTIVE DATE.** This section is effective January 1, 2008.

48.6 Sec. 62. Minnesota Statutes 2006, section 16C.05, subdivision 1, is amended to read:

48.7 Subdivision 1. **Agency cooperation.** Agencies shall fully cooperate with the  
48.8 commissioner in the management and review of state contracts and in the development  
48.9 and implementation of strategic sourcing techniques.

48.10 Sec. 63. Minnesota Statutes 2006, section 16C.05, subdivision 2, is amended to read:

48.11 Subd. 2. **Creation and validity of contracts.** (a) A contract is not valid and the state  
48.12 is not bound by it and no agency, without the prior written approval of the commissioner  
48.13 granted pursuant to subdivision 2a, may authorize work to begin on it unless:

48.14 (1) it has first been executed by the head of the agency or a delegate who is a party  
48.15 to the contract;

48.16 (2) it has been approved by the commissioner; and

48.17 (3) the accounting system shows an encumbrance for the amount of the contract  
48.18 liability, except as allowed by policy approved by the commissioner and commissioner of  
48.19 finance for routine, low-dollar procurements.

48.20 (b) The combined contract and amendments must not exceed five years without  
48.21 specific, written approval by the commissioner according to established policy, procedures,  
48.22 and standards, or unless otherwise provided for by law. The term of the original contract  
48.23 must not exceed two years unless the commissioner determines that a longer duration is  
48.24 in the best interest of the state.

48.25 (c) Grants, interagency agreements, purchase orders, work orders, and annual plans  
48.26 need not, in the discretion of the commissioner and attorney general, require the signature  
48.27 of the commissioner and/or the attorney general. A signature is not required for work  
48.28 orders and amendments to work orders related to Department of Transportation contracts.  
48.29 Bond purchase agreements by the Minnesota Public Facilities Authority do not require  
48.30 the approval of the commissioner.

48.31 (d) Amendments to contracts must entail tasks that are substantially similar to  
48.32 those in the original contract or involve tasks that are so closely related to the original  
48.33 contract that it would be impracticable for a different contractor to perform the work. The  
48.34 commissioner or an agency official to whom the commissioner has delegated contracting

49.1 authority under section 16C.03, subdivision 16, must determine that an amendment would  
49.2 serve the interest of the state better than a new contract and would cost no more.

49.3 (e) A fully executed copy of every contract, amendments to the contract, and  
49.4 performance evaluations relating to the contract must be kept on file at the contracting  
49.5 agency for a time equal to that specified for contract vendors and other parties in  
49.6 subdivision 5.

49.7 (f) The attorney general must periodically review and evaluate a sample of state  
49.8 agency contracts to ensure compliance with laws.

49.9 Sec. 64. Minnesota Statutes 2006, section 16C.08, is amended by adding a subdivision  
49.10 to read:

49.11 Subd. 1a. **Enterprise procurement.** Notwithstanding section 15.061 or any  
49.12 other law, the commissioner shall, to the fullest extent practicable, conduct enterprise  
49.13 procurements that result in the establishment of professional or technical contracts for  
49.14 use by multiple state agencies. The commissioner is authorized to mandate use of any  
49.15 contract entered into as a result of an enterprise procurement process. Agencies shall fully  
49.16 cooperate in the development and use of contracts entered into under this section.

49.17 Sec. 65. Minnesota Statutes 2006, section 16C.08, subdivision 2, is amended to read:

49.18 Subd. 2. **Duties of contracting agency.** (a) Before an agency may seek approval of  
49.19 a professional or technical services contract valued in excess of \$5,000, it must provide  
49.20 the following:

49.21 (1) a description of how the proposed contract or amendment is necessary and  
49.22 reasonable to advance the statutory mission of the agency;

49.23 (2) a description of the agency's plan to notify firms or individuals who may be  
49.24 available to perform the services called for in the solicitation; ~~and~~

49.25 (3) a description of the performance measures or other tools that will be used to  
49.26 monitor and evaluate contract performance; and

49.27 (4) an explanation detailing, if applicable, why this procurement is being pursued  
49.28 unilaterally by the agency and not as an enterprise procurement.

49.29 (b) In addition to paragraph (a), the agency must certify that:

49.30 (1) no current state employee is able and available to perform the services called  
49.31 for by the contract;

49.32 (2) the normal competitive bidding mechanisms will not provide for adequate  
49.33 performance of the services;

50.1 (3) reasonable efforts will be made to publicize the availability of the contract to  
50.2 the public;

50.3 (4) the agency will develop and implement a written plan providing for the  
50.4 assignment of specific agency personnel to manage the contract, including a monitoring  
50.5 and liaison function, the periodic review of interim reports or other indications of past  
50.6 performance, and the ultimate utilization of the final product of the services;

50.7 (5) the agency will not allow the contractor to begin work before the contract is fully  
50.8 executed unless an exception under section 16C.05, subdivision 2a, has been granted by  
50.9 the commissioner and funds are fully encumbered;

50.10 (6) the contract will not establish an employment relationship between the state or  
50.11 the agency and any persons performing under the contract; ~~and~~

50.12 (7) in the event the results of the contract work will be carried out or continued by  
50.13 state employees upon completion of the contract, the contractor is required to include  
50.14 state employees in development and training, to the extent necessary to ensure that after  
50.15 completion of the contract, state employees can perform any ongoing work related to  
50.16 the same function; and

50.17 (8) the agency will not contract out its previously eliminated jobs for four years  
50.18 without first considering the same former employees who are on the seniority unit layoff  
50.19 list who meet the minimum qualifications determined by the agency.

50.20 (c) A contract establishes an employment relationship for purposes of paragraph (b),  
50.21 clause (6), if, under federal laws governing the distinction between an employee and an  
50.22 independent contractor, a person would be considered an employee.

50.23 Sec. 66. Minnesota Statutes 2006, section 16C.08, subdivision 4, is amended to read:

50.24 Subd. 4. **Reports.** (a) The commissioner shall submit to the governor, the chairs of  
50.25 the house Ways and Means and senate Finance Committees, and the Legislative Reference  
50.26 Library a yearly listing of all contracts for professional or technical services executed.  
50.27 The report must identify the contractor, contract amount, duration, and services to be  
50.28 provided. The commissioner shall also issue yearly reports summarizing the contract  
50.29 review activities of the department by fiscal year.

50.30 (b) The fiscal year report must be submitted by September 1 of each year and must:

50.31 (1) be sorted by agency and by contractor;

50.32 (2) show the aggregate value of contracts issued by each agency and issued to each  
50.33 contractor;

50.34 (3) distinguish between contracts that are being issued for the first time and contracts  
50.35 that are being extended;

51.1 (4) state the termination date of each contract;

51.2 (5) identify services by commodity code, including topics such as contracts for  
51.3 training, contracts for research and opinions, and contracts for computer systems; and

51.4 (6) identify which contracts were awarded without following the solicitation process  
51.5 in this chapter because it was determined that there was only a single source for the  
51.6 services.

51.7 (c) Within 30 days of final completion of a contract over \$50,000 covered by this  
51.8 subdivision, the head of the agency entering into the contract must submit a one-page  
51.9 report to the commissioner who must submit a copy to the Legislative Reference Library.  
51.10 The report must:

51.11 (1) summarize the purpose of the contract, including why it was necessary to enter  
51.12 into a contract;

51.13 (2) state the amount spent on the contract;

51.14 ~~(3) be accompanied by the performance evaluation prepared according to subdivision~~  
51.15 ~~4a; and~~

51.16 ~~(4)~~ (3) if the contract was awarded without following the solicitation process in this  
51.17 chapter because it was determined that there was only a single source for the services,  
51.18 explain why the agency determined there was only a single source for the services; and

51.19 (4) include a written performance evaluation of the work done under the contract.

51.20 The evaluation must include an appraisal of the contractor's timeliness, quality, cost, and  
51.21 overall performance in meeting the terms and objectives of the contract. Contractors may  
51.22 request copies of evaluations prepared under this subdivision and may respond in writing.  
51.23 Contractor responses must be maintained with the contract file.

51.24 Sec. 67. Minnesota Statutes 2006, section 16C.08, is amended by adding a subdivision  
51.25 to read:

51.26 Subd. 4b. **Limitations on actions.** No action may be maintained by a contractor  
51.27 against an employee or agency who discloses information about a current or former  
51.28 contractor under subdivision 4, unless the contractor demonstrates by clear and convincing  
51.29 evidence that:

51.30 (1) the information was false and defamatory;

51.31 (2) the employee or agency knew or should have known the information was false  
51.32 and acted with malicious intent to injure the current or former contractor; and

51.33 (3) the information was acted upon in a manner that caused harm to the current or  
51.34 former contractor.

52.1       Sec. 68. **[16C.086] CALL-CENTER.**

52.2           An agency may not enter into a contract for operation of a call-center, or a contract  
52.3 whose primary purpose is to provide similar services answering or responding to telephone  
52.4 calls on behalf of an agency without determining if the service can be provided by state  
52.5 employees, and the services must be provided at offices located in the United States. For  
52.6 purposes of this section, "agency" includes the Minnesota State Colleges and Universities.

52.7           **EFFECTIVE DATE.** This section is effective the day following final enactment,  
52.8 and applies to a contract entered into or renewed or otherwise extended after that date.

52.9       Sec. 69. Minnesota Statutes 2006, section 16C.10, subdivision 7, is amended to read:

52.10           Subd. 7. **Reverse auction.** (a) For the purpose of this subdivision, "reverse auction"  
52.11 means a purchasing process in which vendors compete to provide goods or ~~computer~~  
52.12 services at the lowest selling price in an open and interactive environment. Reverse  
52.13 auctions may not be utilized to procure engineering design services or architectural  
52.14 services or to establish building and construction contracts under sections 16C.26 to  
52.15 16C.29.

52.16           (b) The provisions of sections 13.591, subdivision 3, and 16C.06, subdivision 2,  
52.17 do not apply when the commissioner determines that a reverse auction is the appropriate  
52.18 purchasing process.

52.19       Sec. 70. Minnesota Statutes 2006, section 16C.16, subdivision 5, is amended to read:

52.20           Subd. 5. **Designation of targeted groups.** (a) The commissioner of administration  
52.21 shall periodically designate businesses that are majority owned and operated by women,  
52.22 persons with a substantial physical disability, or specific minorities as targeted group  
52.23 businesses within purchasing categories as determined by the commissioner. A group  
52.24 may be targeted within a purchasing category if the commissioner determines there is a  
52.25 statistical disparity between the percentage of purchasing from businesses owned by  
52.26 group members and the representation of businesses owned by group members among all  
52.27 businesses in the state in the purchasing category.

52.28           (b) In addition to designations under paragraph (a), an individual business may be  
52.29 included as a targeted group business if the commissioner determines that inclusion is  
52.30 necessary to remedy discrimination against the owner based on race, gender, or disability  
52.31 in attempting to operate a business that would provide goods or services to public agencies.

52.32           (c) In addition to the designations under paragraphs (a) and (b), the commissioner of  
52.33 administration shall designate businesses that are majority owned and operated by veterans  
52.34 who have served in federal active service as defined in section 190.05, subdivision 5c, in

53.1 support of Operation Enduring Freedom or Operation Iraqi Freedom as targeted group  
 53.2 businesses within purchasing categories as determined by the commissioner. "Veteran"  
 53.3 has the meaning given in section 197.447, and also includes both currently serving and  
 53.4 honorably discharged members of the national guard and other military reserves.

53.5 ~~(e)~~ (d) The designations of purchasing categories and businesses under paragraphs  
 53.6 (a) ~~and~~, (b), and (c) are not rules for purposes of chapter 14, and are not subject to  
 53.7 rulemaking procedures of that chapter.

53.8 **EFFECTIVE DATE.** This section is effective July 1, 2007, and applies to  
 53.9 procurement contract bid solicitations issued on and after that date.

53.10 Sec. 71. **[16C.251] BEST AND FINAL OFFER.**

53.11 A "best and final offer" solicitation process may not be used for building and  
 53.12 construction contracts.

53.13 Sec. 72. **[16E.22] LICENSING SYSTEM.**

53.14 The state chief information officer may enter into a professional or technical services  
 53.15 contract for information systems development in which the vendor finances all or part  
 53.16 of the cost of system development. The state chief information officer may assess and  
 53.17 accept a fee for business and occupational licenses for the purpose of developing and  
 53.18 maintaining a licensing system.

53.19 Sec. 73. Minnesota Statutes 2006, section 37.06, is amended to read:

53.20 **37.06 SECRETARY; LEGISLATIVE AUDITOR; DUTIES; REPORT.**

53.21 The secretary shall keep a complete record of the proceedings of the annual meetings  
 53.22 of the State Agricultural Society and all meetings of the board of managers and any  
 53.23 committee of the board, keep all accounts of the society other than those kept by the  
 53.24 treasurer of the society, and perform other duties as directed by the board of managers. On  
 53.25 or before December 31 each year, the secretary shall report to the governor for the fiscal  
 53.26 year ending October 31 all the proceedings of the society during the current year and its  
 53.27 financial condition as appears from its books. This report must contain a full, detailed  
 53.28 statement of all receipts and expenditures during the year.

53.29 The books and accounts of the society for the fiscal year must be examined and  
 53.30 audited annually by the legislative auditor. The cost of the examination must be paid by the  
 53.31 society to the state and credited to the ~~general fund~~ appropriation for the legislative auditor.

54.1 A summary of this examination, certified by the legislative auditor, must be  
54.2 appended to the secretary's report, along with the legislative auditor's recommendations  
54.3 and the proceedings of the first annual meeting of the society held following the secretary's  
54.4 report, including addresses made at the meeting as directed by the board of managers. The  
54.5 summary, recommendations, and proceedings must be printed in the same manner as the  
54.6 reports of state officers. Copies of the report must be printed annually and distributed as  
54.7 follows: to each society or association entitled to membership in the society, to each  
54.8 newspaper in the state, and the remaining copies as directed by the board of managers.

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

54.10 Sec. 74. Minnesota Statutes 2006, section 43A.02, is amended by adding a subdivision  
54.11 to read:

54.12 Subd. 18a. **Domestic partner.** "Domestic partner" means a person who has entered  
54.13 into a committed interdependent relationship with another adult, where the partners:

54.14 (1) are responsible for each other's basic common welfare;

54.15 (2) share a common residence and intend to do so indefinitely;

54.16 (3) are not related by blood or adoption to an extent that would prohibit marriage in  
54.17 this state; and

54.18 (4) are legally competent and qualified to enter into a contract.

54.19 For purposes of this subdivision, domestic partners may share a common residence,  
54.20 even if:

54.21 (1) they do not each have a legal right to possess the residence; or

54.22 (2) one or both domestic partners possess additional real property.

54.23 If one domestic partner temporarily leaves the common residence with the intention  
54.24 to return, the domestic partners continue to share a common residence for the purposes  
54.25 of this subdivision.

54.26 Sec. 75. Minnesota Statutes 2006, section 43A.24, subdivision 1, is amended to read:

54.27 Subdivision 1. **General.** Employees, including persons on layoff from a civil  
54.28 service position, and employees who are employed less than full time, shall be eligible  
54.29 for state paid life insurance and hospital, medical and dental benefits as provided in  
54.30 collective bargaining agreements or plans established pursuant to section 43A.18. If a  
54.31 collective bargaining agreement or plan provides state paid health insurance for spouses of  
54.32 employees, the insurance must be made available to domestic partners of state employees  
54.33 on the same terms and conditions.

55.1 Sec. 76. Minnesota Statutes 2006, section 43A.49, is amended to read:

55.2 **43A.49 VOLUNTARY UNPAID LEAVE OF ABSENCE.**

55.3 (a) Appointing authorities in state government may allow each employee to take  
55.4 unpaid leaves of absence for up to 1,040 hours ~~between June 1, 2003, and June 30, 2005.~~  
55.5 ~~The 1,040 hour limit replaces, and is not in addition to, limits set in prior laws in each~~  
55.6 two-year period beginning July 1 of each odd-numbered year. Each appointing authority  
55.7 approving such a leave shall allow the employee to continue accruing vacation and  
55.8 sick leave, be eligible for paid holidays and insurance benefits, accrue seniority, and, if  
55.9 payments are made under paragraph (b), accrue service credit and credited salary in the  
55.10 state retirement plans, as if the employee had actually been employed during the time of  
55.11 leave. An employee covered by the unclassified plan may voluntarily make the employee  
55.12 contributions to the unclassified plan during the leave of absence. If the employee makes  
55.13 these contributions, the appointing authority must make the employer contribution. If the  
55.14 leave of absence is for one full pay period or longer, any holiday pay shall be included in  
55.15 the first payroll warrant after return from the leave of absence. The appointing authority  
55.16 shall attempt to grant requests for the unpaid leaves of absence consistent with the need to  
55.17 continue efficient operation of the agency. However, each appointing authority shall retain  
55.18 discretion to grant or refuse to grant requests for leaves of absence and to schedule and  
55.19 cancel leaves, subject to the applicable provisions of collective bargaining agreements  
55.20 and compensation plans.

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

55.28 Sec. 77. **[43A.50] CERTIFICATE OF PAY EQUITY COMPLIANCE.**

55.29 Subdivision 1. Scope of application. For a contract for goods or services in excess  
55.30 of \$100,000, a state department or agency may not accept a bid or proposal from a  
55.31 business having more than 40 full-time employees within the state on a single working  
55.32 day during the previous 12 months unless the commissioner has approved the business'  
55.33 plan to establish equitable compensation relationships for its employees and has issued the  
55.34 business a certificate of compliance. A certificate of compliance is valid for two years.

56.1 Subd. 2. **Compliance; good faith effort.** (a) The commissioner must approve a  
56.2 plan and issue a certificate of compliance under this section to a business if the business  
56.3 demonstrates that it is in compliance with equitable compensation relationship standards  
56.4 or is making a good faith effort to achieve compliance with those standards. The standards  
56.5 for determining equitable compensation relationships for a business under this section  
56.6 are the same as the standards in sections 471.991 to 471.997 and rules adopted under  
56.7 those sections.

56.8 (b) A business that is not in compliance with equitable compensation relationship  
56.9 standards is making a good faith effort to achieve compliance if the commissioner has  
56.10 approved:

56.11 (1) a plan for achieving compliance, including the business' proposed actions and  
56.12 response to the commissioner's recommendations; and

56.13 (2) a proposed date for achieving compliance and for submitting a revised report  
56.14 for the commissioner's review.

56.15 Subd. 3. **Filing fee; account; appropriation.** The commissioner shall collect  
56.16 a \$75 fee for each certificate of compliance issued by the commissioner under this  
56.17 section. The proceeds of the fee must be deposited in a pay equity fee special revenue  
56.18 account. Money in the account is appropriated to the commissioner to fund the cost of  
56.19 administering this section.

56.20 Subd. 4. **Revocation of certificate.** A certificate of compliance may be suspended or  
56.21 revoked by the commissioner of administration if a holder of a certificate is not effectively  
56.22 implementing or making a good faith effort to implement its approved plan to establish  
56.23 equitable compensation relationships. If a contractor does not effectively implement its  
56.24 approved plan, or fails to make a good faith effort to do so, the commissioner of employee  
56.25 relations may refuse to approve subsequent plans submitted by that business.

56.26 Subd. 5. **Revocation of contract.** A contract awarded by a department or agency of  
56.27 the state may be terminated or abridged by the contracting department or agency because  
56.28 of suspension or revocation of a certificate. If a contract is awarded to a person who  
56.29 does not have a contract compliance certificate required, the commissioner may void  
56.30 the contract on behalf of the state.

56.31 Subd. 6. **Technical assistance.** If the commissioner of administration has  
56.32 suspended a contractor's certificate of compliance, the commissioner shall provide  
56.33 technical assistance that may enable the contractor to be recertified within 90 days after  
56.34 the contractor's certificate has been suspended.

56.35 Subd. 7. **Access to data.** Data submitted to the commissioner by a contractor  
56.36 or potential contractor for purposes of obtaining a certificate of compliance under this

57.1 section are private data on individuals or nonpublic data with respect to persons other  
 57.2 than department employees. The commissioner's decision to grant, not grant, revoke, or  
 57.3 suspend a certificate of compliance is public data.

57.4 **EFFECTIVE DATE.** This section is effective July 1, 2007, and applies to contracts  
 57.5 for which a state department or agency issues solicitations on or after that date.

57.6 Sec. 78. Minnesota Statutes 2006, section 103D.355, is amended to read:

57.7 **103D.355 ANNUAL AUDIT.**

57.8 Subdivision 1. **Requirement.** The managers must have an annual audit completed  
 57.9 of the books and accounts of the watershed district. The annual audit may be made by  
 57.10 a private certified public accountant or by the state auditor. ~~The annual audit must be~~  
 57.11 ~~made by a certified public accountant or the state auditor at least once every five years, or~~  
 57.12 ~~when cumulative district revenues or expenditures exceed an amount established by the~~  
 57.13 ~~board in consultation with the state auditor.~~

57.14 Subd. 2. **Audit by state auditor.** (a) ~~If the annual~~ An audit ~~is to be made~~ by the  
 57.15 state auditor, ~~the audit must~~ may be initiated by a petition of the resident owners of the  
 57.16 watershed district or resolution of the managers of the watershed district. The petition  
 57.17 must request an annual audit pursuant to the authority granted municipalities under  
 57.18 sections 6.54 and 6.55. The state auditor may conduct such examinations of accounts and  
 57.19 records as the state auditor may deem the public interest to demand.

57.20 (b) If the audit or examination is made by the state auditor, the watershed  
 57.21 district receiving the examination must pay the state the total cost and expenses of the  
 57.22 examination, including the salaries paid to the examiners while actually engaged in  
 57.23 making the examination. The general fund must be credited with all collections made  
 57.24 for examinations under this subdivision.

57.25 Subd. 3. **Reports for state auditor.** The managers must make and submit reports  
 57.26 demanded by the state auditor.

57.27 Sec. 79. Minnesota Statutes 2006, section 161.1419, subdivision 8, is amended to read:

57.28 Subd. 8. **Expiration.** The commission expires on June 30, ~~2007~~ 2012.

57.29 Sec. 80. Minnesota Statutes 2006, section 181.9413, is amended to read:

57.30 **181.9413 SICK OR INJURED CHILD CARE LEAVE BENEFITS; USE TO**  
 57.31 **CARE FOR CERTAIN RELATIVES.**

58.1 (a) An employee may use personal sick leave benefits provided by the employer  
 58.2 for absences due to an illness of or injury to the employee's child, spouse, sibling, parent,  
 58.3 grandparent, stepparent, or domestic partner for such reasonable periods as the employee's  
 58.4 attendance ~~with the child~~ may be necessary, on the same terms upon which the employee  
 58.5 is able to use sick leave benefits for the employee's own illness or injury. This section  
 58.6 applies only to personal sick leave benefits payable to the employee from the employer's  
 58.7 general assets.

58.8 (b) For purposes of this section, "personal sick leave benefits" means time accrued  
 58.9 and available to an employee to be used as a result of absence from work due to personal  
 58.10 illness or injury, but does not include short-term or long-term disability or other salary  
 58.11 continuation benefits.

58.12 (c) For purposes of this section, "domestic partner" means a person who has entered  
 58.13 into a committed interdependent relationship with another adult, where the partners:

58.14 (1) are responsible for each other's basic common welfare;

58.15 (2) share a common residence and intend to do so indefinitely;

58.16 (3) are not related by blood or adoption to an extent that would prohibit marriage in  
 58.17 this state; and

58.18 (4) are legally competent and qualified to enter into a contract.

58.19 For purposes of this section, domestic partners may share a common residence even  
 58.20 if they do not have a legal right to possess the residence or one or both domestic partners  
 58.21 possess additional real property.

58.22 If one domestic partner temporarily leaves the common residence with the intention  
 58.23 to return, the domestic partners continue to share a common residence for the purposes  
 58.24 of this section.

58.25 **EFFECTIVE DATE.** This section is effective August 1, 2007, and applies to sick  
 58.26 leave used on or after that date.

58.27 **Sec. 81. [192.382] HONOR GUARDS.**

58.28 Upon the death of any person who has honorably served six or more years or is  
 58.29 in active service in the Minnesota National Guard, the adjutant general may activate  
 58.30 members to serve as an honor guard at the funeral. Members activated for service as honor  
 58.31 guards must be paid at the rate provided in section 192.49, subdivision 1 or 2.

58.32 **Sec. 82. [192.515] NATIONAL GUARD NONAPPROPRIATED FUND**  
 58.33 **INSTRUMENTALITY.**

58.34 Subdivision 1. **Establishment.** The adjutant general may:

59.1 (a) establish a Minnesota National Guard Nonappropriated Fund Instrumentality to  
59.2 create, operate, and maintain morale, welfare, and recreation facilities and activities at  
59.3 Camp Ripley and other property owned, leased, or otherwise controlled by the Minnesota  
59.4 Nation Guard; and

59.5 (b) create a board to manage the fund established under paragraph (a) and delegate  
59.6 to the board the adjutant general's authority under this section.

59.7 Subd. 2. **Definitions.** (a) The definitions in this subdivision apply to this section.

59.8 (b) "MNG NAFI" means the Minnesota National Guard Nonappropriated Fund  
59.9 Instrumentality.

59.10 (c) "Morale, welfare, and recreation" refers to a facility or activity intended to  
59.11 provide recreational opportunities, promote unit and individual morale, and generally  
59.12 improve the welfare of Minnesota National Guard personnel at Camp Ripley or other  
59.13 properties owned, leased, or otherwise controlled by the Minnesota National Guard. It  
59.14 does not include facilities or services provided by the Army and Air Force Exchange  
59.15 Service. It also does not include facilities or services provided by other instrumentalities  
59.16 through the use of appropriated funds.

59.17 Subd. 3. **Use.** The adjutant general may authorize Minnesota National Guard lands  
59.18 and facilities to be used in support of morale, welfare, and recreation activities under this  
59.19 section. That use must not interfere with military operations or training.

59.20 Subd. 4. **Funds.** (a) Except as otherwise specifically authorized in this section,  
59.21 no general fund money or other state funds may be used for the purposes authorized  
59.22 under this section.

59.23 (b) The MNG NAFI is authorized to accept donations or gifts from public or private  
59.24 sources for purposes authorized under this section, including, but not limited to, federal  
59.25 funds made available to the National Guard for related activities and money received from  
59.26 recycling activities to the extent authorized by federal regulation.

59.27 (c) Money received from operation of activities under this section, including, but  
59.28 not limited to, user fees and rental charges must be deposited and managed consistent  
59.29 with this subdivision.

59.30 (d) The adjutant general may transfer funds from any existing morale, welfare, or  
59.31 recreation fund to the MNG NAFI.

59.32 (e) Money received by the MNG NAFI must be deposited in the Minnesota National  
59.33 Guard morale, welfare, and recreation fund.

59.34 (f) Accounts or funds created under this section must be audited annually by officers  
59.35 of the military forces detailed by the adjutant general as military auditors.

60.1 Subd. 5. Rules. The adjutant general must adopt rules for the establishment,  
60.2 management, and operation of the MNG NAFI consistent with this section.

60.3 Sec. 83. [197.231] HONOR GUARDS.

60.4 The commissioner of veterans affairs shall pay, within available funds and upon  
60.5 request by a local unit of a congressionally chartered veterans organization or its auxiliary,  
60.6 up to \$50 to the local unit for each time that local unit provides an honor guard detail at  
60.7 the funeral of a deceased veteran. If the local unit provides a student to play "Taps," the  
60.8 local unit may pay some or all of the \$50 to the student.

60.9 Sec. 84. Minnesota Statutes 2006, section 302A.821, subdivision 4, is amended to read:

60.10 Subd. 4. **Penalty; reinstatement.** (a) A corporation that has failed to file a  
60.11 registration pursuant to the requirements of subdivision 2 must be dissolved by the  
60.12 secretary of state as described in paragraph (b).

60.13 (b) If the corporation has not filed the registration ~~for two consecutive~~ during  
60.14 any calendar years year, the secretary of state must issue a certificate of administrative  
60.15 dissolution and the certificate must be filed in the Office of the Secretary of State. ~~The~~  
60.16 ~~secretary of state shall send notice to the corporation that the corporation has been~~  
60.17 ~~dissolved and that the corporation may be reinstated by filing a registration and a \$25 fee.~~  
60.18 ~~The notice must be given by United States mail unless the company has indicated to the~~  
60.19 ~~secretary of state that they are willing to receive notice by electronic notification, in which~~  
60.20 ~~case the secretary of state may give notice by mail or the indicated means. The secretary~~  
60.21 ~~of state shall annually inform the attorney general and the commissioner of revenue of~~  
60.22 ~~the methods by which the names of corporations dissolved under this section during the~~  
60.23 ~~preceding year may be determined.~~ The secretary of state must also make available in  
60.24 an electronic format the names of the dissolved corporations. A corporation dissolved in  
60.25 this manner is not entitled to the benefits of section 302A.781. The liability, if any, of the  
60.26 shareholders of a corporation dissolved in this manner shall be determined and limited in  
60.27 accordance with section 302A.557, except that the shareholders shall have no liability to  
60.28 any director of the corporation under section 302A.559, subdivision 2.

60.29 (c) After administrative dissolution, filing a registration and the \$25 fee with the  
60.30 secretary of state:

60.31 (1) returns the corporation to good standing as of the date of the dissolution;

60.32 (2) validates contracts or other acts within the authority of the articles, and the  
60.33 corporation is liable for those contracts or acts; and

61.1 (3) restores to the corporation all assets and rights of the corporation to the extent  
61.2 they were held by the corporation before the dissolution occurred, except to the extent that  
61.3 assets or rights were affected by acts occurring after the dissolution or sold or otherwise  
61.4 distributed after that time.

61.5 **EFFECTIVE DATE.** This section is effective January 1, 2008.

61.6 Sec. 85. Minnesota Statutes 2006, section 308A.995, subdivision 4, is amended to read:

61.7 Subd. 4. **Penalty; dissolution.** (a) A cooperative that has failed to file a registration  
61.8 pursuant to the requirements of this section by December 31 of the calendar year for which  
61.9 the registration was required must be dissolved by the secretary of state as described in  
61.10 paragraph (b).

61.11 (b) If the cooperative has not filed the registration by December 31 of that calendar  
61.12 year, the secretary of state must issue a certificate of involuntary dissolution, and the  
61.13 certificate must be filed in the Office of the Secretary of State. ~~The secretary of state must~~  
61.14 ~~annually inform the attorney general and the commissioner of revenue of the methods by~~  
61.15 ~~which the names of cooperatives dissolved under this section during the preceding year~~  
61.16 ~~may be determined.~~ The secretary of state must also make available in an electronic  
61.17 format the names of the dissolved cooperatives. A cooperative dissolved in this manner is  
61.18 not entitled to the benefits of section 308A.981.

61.19 **EFFECTIVE DATE.** This section is effective January 1, 2008.

61.20 Sec. 86. Minnesota Statutes 2006, section 308B.121, subdivision 4, is amended to read:

61.21 Subd. 4. **Penalty; dissolution.** (a) A cooperative that has failed to file a registration  
61.22 under the requirements of this section must be dissolved by the secretary of state as  
61.23 described in paragraph (b).

61.24 (b) If the cooperative has not filed the registration by December 31 of that calendar  
61.25 year, the secretary of state must issue a certificate of involuntary dissolution and the  
61.26 certificate must be filed in the Office of the Secretary of State. ~~The secretary of state must~~  
61.27 ~~annually inform the attorney general and the commissioner of revenue of the methods by~~  
61.28 ~~which the names of cooperatives dissolved under this section during the preceding year~~  
61.29 ~~may be determined.~~ The secretary of state must also make available in an electronic  
61.30 format the names of the dissolved cooperatives. A cooperative dissolved in this manner is  
61.31 not entitled to the benefits of section 308B.971.

61.32 **EFFECTIVE DATE.** This section is effective January 1, 2008.

62.1 Sec. 87. Minnesota Statutes 2006, section 308B.215, subdivision 2, is amended to read:

62.2 Subd. 2. **Filing.** The original articles and a designation of the cooperative's  
62.3 registered office and agent, ~~including a registration form under section 308B.121,~~ shall  
62.4 be filed with the secretary of state. The fee for filing the articles with the secretary of  
62.5 state is \$60.

62.6 **EFFECTIVE DATE.** This section is effective August 1, 2007.

62.7 Sec. 88. **[308B.903] NOTICE OF INTENT TO DISSOLVE.**

62.8 Before a cooperative begins dissolution, a notice of intent to dissolve must be filed  
62.9 with the secretary of state. The notice must contain:

62.10 (1) the name of the cooperative;

62.11 (2) the date and place of the members' meeting at which the resolution was  
62.12 approved; and

62.13 (3) a statement that the requisite vote of the members approved the proposed  
62.14 dissolution.

62.15 **EFFECTIVE DATE.** This section is effective August 1, 2007.

62.16 Sec. 89. Minnesota Statutes 2006, section 317A.823, subdivision 1, is amended to read:

62.17 Subdivision 1. **Annual registration.** (a) The secretary of state must send annually  
62.18 to each corporation at the registered office of the corporation a postcard notice announcing  
62.19 the need to file the annual registration and informing the corporation that the annual  
62.20 registration may be filed online and that paper filings may also be made, and informing  
62.21 the corporation that failing to file the annual registration will result in an administrative  
62.22 dissolution of the corporation.

62.23 ~~(b) Except for corporations to which paragraph (d) applies,~~ Each calendar year  
62.24 beginning in the calendar year following the calendar year in which a corporation  
62.25 incorporates, a corporation must file with the secretary of state by December 31 of each  
62.26 calendar year a registration containing the information listed in paragraph (c).

62.27 (c) The registration must include:

62.28 (1) the name of the corporation;

62.29 (2) the address of its registered office;

62.30 (3) the name of its registered agent, if any; and

62.31 (4) the name and business address of the officer or other person exercising the  
62.32 principal functions of president of the corporation.

63.1 ~~(d) The timely filing of an annual financial report and audit or an annual financial~~  
63.2 ~~statement under section 69.051, subdivision 1 or 1a, by a volunteer firefighter relief~~  
63.3 ~~association, as reflected in the notification by the state auditor under section 69.051,~~  
63.4 ~~subdivision 1c, constitutes presentation of the corporate registration. The secretary of state~~  
63.5 ~~may reject the registration by the volunteer firefighter relief association. Rejection must~~  
63.6 ~~occur if the information provided to the state auditor does not match the information~~  
63.7 ~~in the records of the secretary of state. The volunteer firefighter relief association may~~  
63.8 ~~amend the articles of incorporation as provided in sections 317A.131 to 317A.151 so~~  
63.9 ~~that the information from the state auditor may be accepted for filing. The timely filing~~  
63.10 ~~of an annual financial report and audit or an annual financial statement under section~~  
63.11 ~~69.051, subdivision 1 or 1a, does not relieve the volunteer firefighter relief association~~  
63.12 ~~of the requirement to file amendments to the articles of incorporation directly with the~~  
63.13 ~~secretary of state.~~

63.14 **EFFECTIVE DATE.** This section is effective August 1, 2007.

63.15 Sec. 90. Minnesota Statutes 2006, section 321.0206, is amended to read:

63.16 **321.0206 DELIVERY TO AND FILING OF RECORDS BY SECRETARY OF**  
63.17 **STATE; EFFECTIVE TIME AND DATE.**

63.18 (a) A record authorized or required to be delivered to the secretary of state for filing  
63.19 under this chapter must be captioned to describe the record's purpose, be in a medium  
63.20 permitted by the secretary of state, and be delivered to the secretary of state. Unless the  
63.21 secretary of state determines that a record does not comply with the filing requirements  
63.22 of this chapter, and if the appropriate filing fees have been paid, the secretary of state  
63.23 shall file the record and:

63.24 (1) for a statement of dissociation, send:

63.25 (A) a copy of the filed statement to the person which the statement indicates has  
63.26 dissociated as a general partner; and

63.27 (B) a copy of the filed statement to the limited partnership;

63.28 (2) for a statement of withdrawal, send:

63.29 (A) a copy of the filed statement to the person on whose behalf the record was  
63.30 filed; and

63.31 (B) if the statement refers to an existing limited partnership, a copy of the filed  
63.32 statement to the limited partnership; and

63.33 (3) for all other records, send a copy of the filed record to the person on whose  
63.34 behalf the record was filed.

64.1 (b) Upon request and payment of a fee, the secretary of state shall send to the  
64.2 requester a certified copy of the requested record.

64.3 (c) Except as otherwise provided in sections 321.0116 and 321.0207, a record  
64.4 delivered to the secretary of state for filing under this chapter may specify an effective  
64.5 time and a delayed effective date. Except as otherwise provided in this chapter, a record  
64.6 filed by the secretary of state is effective:

64.7 (1) if the record does not specify an effective time and does not specify a delayed  
64.8 effective date, on the date and at the time the record is filed as evidenced by the secretary  
64.9 of state's endorsement of the date and time on the record;

64.10 (2) if the record specifies an effective time but not a delayed effective date, on the  
64.11 date the record is filed at the time specified in the record;

64.12 (3) if the record specifies a delayed effective date but not an effective time, at 12:01  
64.13 a.m. on the earlier of:

64.14 (A) the specified date; or

64.15 (B) the 30th day after the record is filed; or

64.16 (4) if the record specifies an effective time and a delayed effective date, at the  
64.17 specified time on the earlier of:

64.18 (A) the specified date; or

64.19 (B) the 30th day after the record is filed.

64.20 (d) The appropriate fees for filings under this chapter are:

64.21 (1) for filing a certificate of limited partnership, \$100;

64.22 (2) for filing an amended certificate of limited partnership, \$50;

64.23 (3) for filing any other record, other than the annual report required by section  
64.24 321.0210, for which no fee must be charged, required or permitted to be delivered for  
64.25 filing, \$35;

64.26 (4) for filing a certificate requesting authority to transact business in Minnesota as a  
64.27 foreign limited partnership, \$85;

64.28 (5) for filing an application of reinstatement, \$25; ~~and~~

64.29 (6) for filing a name reservation for a foreign limited partnership name, \$35; and

64.30 (7) for filing any other record, other than the annual report required by section  
64.31 321.0210, for which no fee must be charged, required or permitted to be delivered for  
64.32 filing on a foreign limited partnership authorized to transact business in Minnesota, \$50.

64.33 **EFFECTIVE DATE.** This section is effective July 1, 2007.

64.34 Sec. 91. **[321.0909] NAME CHANGES FILED IN HOME STATE.**

65.1 A foreign limited partnership shall notify the secretary of state of any changes to the  
65.2 partnership name filed with the state of formation by filing a certificate from the state of  
65.3 formation certifying to the change of name.

65.4 **EFFECTIVE DATE.** This section is effective August 1, 2007.

65.5 Sec. 92. Minnesota Statutes 2006, section 336.1-110, is amended to read:

65.6 **336.1-110 UNIFORM COMMERCIAL CODE ACCOUNT.**

65.7 The Uniform Commercial Code account is established as an account in the state  
65.8 treasury. Fees that are not expressly set by statute but are charged by the secretary of state  
65.9 to offset the costs of providing a service under this chapter must be deposited in the state  
65.10 treasury and credited to the Uniform Commercial Code account.

65.11 Fees that are not expressly set by statute but are charged by the secretary of state  
65.12 to offset the costs of providing information contained in the computerized records  
65.13 maintained by the secretary of state must be deposited in the state treasury and credited to  
65.14 the Uniform Commercial Code account.

65.15 Money in the Uniform Commercial Code account is continuously appropriated to the  
65.16 secretary of state to implement and maintain the central filing system under this chapter,  
65.17 to provide, improve, and expand other online or remote lien and business entity filing,  
65.18 retrieval, and payment method services provided by the secretary of state, and to provide  
65.19 electronic access to other computerized records maintained by the secretary of state.

65.20 **EFFECTIVE DATE.** This section is effective August 1, 2007.

65.21 Sec. 93. Minnesota Statutes 2006, section 336.9-516, is amended to read:

65.22 **336.9-516 WHAT CONSTITUTES FILING; EFFECTIVENESS OF FILING.**

65.23 (a) **What constitutes filing.** Except as otherwise provided in subsection (b),  
65.24 communication of a record to a filing office and tender of the filing fee or acceptance of  
65.25 the record by the filing office constitutes filing.

65.26 (b) **Refusal to accept record; filing does not occur.** Filing does not occur with  
65.27 respect to a record that a filing office refuses to accept because:

65.28 (1) the record is not communicated by a method or medium of communication  
65.29 authorized by the filing office. For purposes of filing office authorization, transmission of  
65.30 records using the Extensible Markup Language (XML) format is authorized by the filing  
65.31 office after the later of July 1, 2007, or the determination of the secretary of state that the  
65.32 central filing system is capable of receiving and processing these records;

65.33 (2) an amount equal to or greater than the applicable filing fee is not tendered;

66.1 (3) the filing office is unable to index the record because:

66.2 (A) in the case of an initial financing statement, the record does not provide a name  
66.3 for the debtor;

66.4 (B) in the case of an amendment or correction statement, the record:

66.5 (i) does not identify the initial financing statement as required by section 336.9-512  
66.6 or 336.9-518, as applicable; or

66.7 (ii) identifies an initial financing statement whose effectiveness has lapsed under  
66.8 section 336.9-515;

66.9 (C) in the case of an initial financing statement that provides the name of a debtor  
66.10 identified as an individual or an amendment that provides a name of a debtor identified as  
66.11 an individual which was not previously provided in the financing statement to which the  
66.12 record relates, the record does not identify the debtor's last name; or

66.13 (D) in the case of a record filed or recorded in the filing office described in section  
66.14 336.9-501(a)(1), the record does not provide a sufficient description of the real property  
66.15 to which it relates;

66.16 (4) in the case of an initial financing statement or an amendment that adds a secured  
66.17 party of record, the record does not provide a name and mailing address for the secured  
66.18 party of record;

66.19 (5) in the case of an initial financing statement or an amendment that provides a  
66.20 name of a debtor which was not previously provided in the financing statement to which  
66.21 the amendment relates, the record does not:

66.22 (A) provide a mailing address for the debtor;

66.23 (B) indicate whether the debtor is an individual or an organization; or

66.24 (C) if the financing statement indicates that the debtor is an organization, provide:

66.25 (i) a type of organization for the debtor;

66.26 (ii) a jurisdiction of organization for the debtor; or

66.27 (iii) an organizational identification number for the debtor or indicate that the debtor  
66.28 has none;

66.29 (6) in the case of an assignment reflected in an initial financing statement under  
66.30 section 336.9-514(a) or an amendment filed under section 336.9-514(b), the record does  
66.31 not provide a name and mailing address for the assignee; or

66.32 (7) in the case of a continuation statement, the record is not filed within the  
66.33 six-month period prescribed by section 336.9-515(d).

66.34 (c) **Rules applicable to subsection (b).** For purposes of subsection (b):

66.35 (1) a record does not provide information if the filing office is unable to read or  
66.36 decipher the information; and

67.1 (2) a record that does not indicate that it is an amendment or identify an initial  
67.2 financing statement to which it relates, as required by section 336.9-512, 336.9-514, or  
67.3 336.9-518, is an initial financing statement.

67.4 (d) **Refusal to accept record; record effective as filed record.** A record that is  
67.5 communicated to the filing office with tender of the filing fee, but which the filing office  
67.6 refuses to accept for a reason other than one set forth in subsection (b), is effective as a  
67.7 filed record except as against a purchaser of the collateral which gives value in reasonable  
67.8 reliance upon the absence of the record from the files.

67.9 **EFFECTIVE DATE.** This section is effective August 1, 2007.

67.10 Sec. 94. Minnesota Statutes 2006, section 336.9-525, is amended to read:

67.11 **336.9-525 FEES.**

67.12 (a) **Initial financing statement or other record: general rule.** Except as otherwise  
67.13 provided in subsection (d), the fee for filing and indexing a record under this part ~~delivered~~  
67.14 ~~on paper~~ is \$20 ~~and for a record delivered by any electronic means is \$15.~~ \$5 of the fee  
67.15 collected for each request delivered online must be deposited in the uniform commercial  
67.16 code account.

67.17 (b) **Number of names.** The number of names required to be indexed does not  
67.18 affect the amount of the fee in subsection (a).

67.19 (c) **Response to information request.** The fee for responding to a request for  
67.20 information from the filing office, including for issuing a certificate showing whether there  
67.21 is on file any financing statement naming a particular debtor, ~~delivered on paper~~ is \$20  
67.22 ~~and for a record delivered by any electronic means is \$15.~~ \$5 of the fee collected for each  
67.23 request delivered online must be deposited in the uniform commercial code account.

67.24 (d) **Record of mortgage.** This section does not require a fee with respect to a record  
67.25 of a mortgage which is effective as a financing statement filed as a fixture filing or as a  
67.26 financing statement covering as-extracted collateral or timber to be cut under section  
67.27 336.9-502(c). However, the recording and satisfaction fees that otherwise would be  
67.28 applicable to the record of the mortgage apply.

67.29 **EFFECTIVE DATE.** This section is effective July 1, 2007.

67.30 Sec. 95. **[349A.021] LOTTERY OFFICES.**

67.31 The State Lottery may not move its operations at its Mountain Iron location to a  
67.32 location outside the Quad-City area of Mountain Iron, Eveleth, Gilbert, and Virginia, and  
67.33 may not reduce the complement of staff employed at this office.

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

68.2 Sec. 96. Minnesota Statutes 2006, section 356.219, subdivision 1, is amended to read:

68.3 Subdivision 1. **Report required.** (a) Except as indicated in subdivision 4, the State  
68.4 Board of Investment, on behalf of the public pension funds and programs for which it is  
68.5 the investment authority, and any Minnesota public pension plan that is not fully invested  
68.6 through the State Board of Investment, including a local police or firefighters relief  
68.7 association governed by sections 69.77 or 69.771 to 69.775, shall report the information  
68.8 specified in subdivision 3 to the state auditor. A report under this section must be filed  
68.9 electronically with the state auditor, unless the state auditor determines that it is not  
68.10 feasible for a particular plan or association to file electronically. The state auditor may  
68.11 ~~prescribe a form or forms for the purposes of the reporting requirements contained in the~~  
68.12 format for reports required by this section. The state auditor must attempt to provide  
68.13 access on the state auditor's Web site to reports filed under this section.

68.14 (b) A local police or firefighters relief association governed by section 69.77 or  
68.15 sections 69.771 to 69.775 is fully invested during a given calendar year for purposes of  
68.16 this section if all assets of the applicable pension plan beyond sufficient cash equivalent  
68.17 investments to cover six months expected expenses are invested under section 11A.17.  
68.18 The board of any fully invested public pension plan remains responsible for submitting  
68.19 investment policy statements and subsequent revisions as required by subdivision 3,  
68.20 paragraph (a).

68.21 (c) For purposes of this section, the State Board of Investment is considered to be  
68.22 the investment authority for any Minnesota public pension fund required to be invested by  
68.23 the State Board of Investment under section 11A.23, or for any Minnesota public pension  
68.24 fund authorized to invest in the supplemental investment fund under section 11A.17 and  
68.25 which is fully invested by the State Board of Investment.

68.26 Sec. 97. Minnesota Statutes 2006, section 358.41, is amended to read:

68.27 **358.41 DEFINITIONS.**

68.28 As used in sections 358.41 to 358.49:

68.29 (1) "Notarial act" means any act that a notary public of this state is authorized to  
68.30 perform, and includes taking an acknowledgment, administering an oath or affirmation,  
68.31 taking a verification upon oath or affirmation, witnessing or attesting a signature, certifying  
68.32 or attesting a copy, and noting a protest of a negotiable instrument. A notary public may  
68.33 perform a notarial act by electronic means.

69.1 (2) "Acknowledgment" means a declaration by a person that the person has executed  
69.2 an instrument or electronic record for the purposes stated therein and, if the instrument  
69.3 or electronic record is executed in a representative capacity, that the person signed  
69.4 the instrument with proper authority and executed it as the act of the person or entity  
69.5 represented and identified therein.

69.6 (3) "Verification upon oath or affirmation" means a declaration that a statement is  
69.7 true made by a person upon oath or affirmation.

69.8 (4) "In a representative capacity" means:

69.9 (i) for and on behalf of a corporation, partnership, limited liability company, trust, or  
69.10 other entity, as an authorized officer, agent, partner, trustee, or other representative;

69.11 (ii) as a public officer, personal representative, guardian, or other representative,  
69.12 in the capacity recited in the instrument;

69.13 (iii) as an attorney in fact for a principal; or

69.14 (iv) in any other capacity as an authorized representative of another.

69.15 (5) "Notarial officer" means a notary public or other officer authorized to perform  
69.16 notarial acts.

69.17 (6) "Electronic signature" means an electronic sound, symbol, or process attached  
69.18 to or logically associated with a record and executed or adopted by a person with the  
69.19 intent to sign the record.

69.20 (7) "Electronic record" means a record created, generated, sent, communicated,  
69.21 received, or stored by electronic means.

69.22 **EFFECTIVE DATE.** This section is effective August 1, 2007.

69.23 Sec. 98. Minnesota Statutes 2006, section 358.42, is amended to read:

69.24 **358.42 NOTARIAL ACTS.**

69.25 (a) In taking an acknowledgment, the notarial officer must determine, either from  
69.26 personal knowledge or from satisfactory evidence, that the person appearing before the  
69.27 officer and making the acknowledgment is the person whose true signature is on the  
69.28 instrument or electronic record.

69.29 (b) In taking a verification upon oath or affirmation, the notarial officer must  
69.30 determine, either from personal knowledge or from satisfactory evidence, that the person  
69.31 appearing before the officer and making the verification is the person whose true signature  
69.32 is made in the presence of the officer on the statement verified.

69.33 (c) In witnessing or attesting a signature the notarial officer must determine, either  
69.34 from personal knowledge or from satisfactory evidence, that the signature is that of the

70.1 person appearing before the officer and named therein. When witnessing or attesting a  
70.2 signature, the officer must be present when the signature is made.

70.3 (d) In certifying or attesting a copy of a document, electronic record, or other item,  
70.4 the notarial officer must determine that the proffered copy is a full, true, and accurate  
70.5 transcription or reproduction of that which was copied.

70.6 (e) In making or noting a protest of a negotiable instrument or electronic record the  
70.7 notarial officer must determine the matters set forth in section 336.3-505.

70.8 (f) A notarial officer has satisfactory evidence that a person is the person whose true  
70.9 signature is on a document or electronic record if that person (i) is personally known to  
70.10 the notarial officer, (ii) is identified upon the oath or affirmation of a credible witness  
70.11 personally known to the notarial officer, or (iii) is identified on the basis of identification  
70.12 documents.

70.13 **EFFECTIVE DATE.** This section is effective August 1, 2007.

70.14 Sec. 99. Minnesota Statutes 2006, section 358.50, is amended to read:

70.15 **358.50 EFFECT OF ACKNOWLEDGMENT.**

70.16 An acknowledgment made in a representative capacity for and on behalf of a  
70.17 corporation, partnership, limited liability company, trust, or other entity and certified  
70.18 substantially in the form prescribed in this chapter is prima facie evidence that the  
70.19 instrument or electronic record was executed and delivered with proper authority.

70.20 **EFFECTIVE DATE.** This section is effective August 1, 2007.

70.21 Sec. 100. Minnesota Statutes 2006, section 359.085, subdivision 2, is amended to read:

70.22 Subd. 2. **Verifications.** In taking a verification upon oath or affirmation, the notarial  
70.23 officer must determine, either from personal knowledge or from satisfactory evidence, that  
70.24 the person appearing before the officer and making the verification is the person whose  
70.25 true signature is made in the presence of the officer on the statement verified.

70.26 **EFFECTIVE DATE.** This section is effective August 1, 2007.

70.27 Sec. 101. Minnesota Statutes 2006, section 359.085, subdivision 3, is amended to read:

70.28 Subd. 3. **Witnessing or attesting signatures.** In witnessing or attesting a signature,  
70.29 the notarial officer must determine, either from personal knowledge or from satisfactory  
70.30 evidence, that the signature is that of the person appearing before the officer and named in

71.1 the document or electronic record. When witnessing or attesting a signature, the officer  
71.2 must be present when the signature is made.

71.3 **EFFECTIVE DATE.** This section is effective August 1, 2007.

71.4 Sec. 102. Minnesota Statutes 2006, section 471.61, subdivision 1a, is amended to read:

71.5 Subd. 1a. **Dependents.** Notwithstanding the provisions of Minnesota Statutes 1969,  
71.6 section 471.61, as amended by Laws 1971, chapter 451, section 1, the word "dependents"  
71.7 as used therein shall mean spouse and minor unmarried children under the age of 18 years  
71.8 and dependent students under the age of 25 years actually dependent upon the employee,  
71.9 and others as defined by governmental units at their discretion.

71.10 Sec. 103. **[471.6175] TRUST FOR POSTEMPLOYMENT BENEFITS.**

71.11 Subdivision 1. **Authorization; establishment.** A political subdivision or other  
71.12 public entity that creates or has created an actuarial liability to pay postemployment  
71.13 benefits to employees or officers after their termination of service may establish a trust to  
71.14 pay those benefits. For purposes of this section, the term "postemployment benefits" means  
71.15 benefits giving rise to a liability under Statement No. 45 of the Governmental Accounting  
71.16 Standards Board and the term "trust" means a trust, a trust account, or a custodial account  
71.17 or contract authorized under section 401(f) of the Internal Revenue Code.

71.18 Subd. 2. **Purpose of trust.** The trust established under this section may only be  
71.19 used to pay postemployment benefits and may be either revocable or irrevocable.

71.20 Subd. 3. **Trust administrator.** The trust administrator of a trust established under  
71.21 this section shall be either:

71.22 (1) the Public Employees Retirement Association;

71.23 (2) a bank or banking association incorporated under the laws of the United States or  
71.24 of any state and authorized by the laws under which it is organized to exercise corporate  
71.25 trust powers; or

71.26 (3) an insurance company or agency qualified to do business in Minnesota which has  
71.27 at least five years experience in investment products and services for group retirement  
71.28 benefits and which has a specialized department dedicated to services for retirement  
71.29 investment products.

71.30 A political subdivision or public entity may, in its discretion and in compliance  
71.31 with any applicable trust document, change trust administrators and transfer trust assets  
71.32 accordingly.

71.33 Subd. 4. **Account maintenance.** A political subdivision or other public entity may  
71.34 establish a trust account to be held under the supervision of the trust administrator for the

72.1 purposes of this section. A trust administrator shall establish a separate account for each  
72.2 participating political subdivision or public entity. The trust administrator may charge  
72.3 participating political subdivisions and public entities fees for reasonable administrative  
72.4 costs. The amount of any fees charged by the Public Employees Retirement Association  
72.5 is appropriated to the association from the account. A trust administrator may establish  
72.6 other reasonable terms and conditions for creation and maintenance of these accounts.  
72.7 The trust administrator must report electronically to the state auditor the portfolio and  
72.8 performance information specified in section 356.219, subdivision 3, in the manner  
72.9 prescribed by the state auditor.

72.10 Subd. 5. **Investment.** (a) The assets of a trust or trust account shall be invested and  
72.11 held as stipulated in paragraphs (b) to (e).

72.12 (b) The Public Employees Retirement Association must certify all money in the trust  
72.13 accounts for which it is trust administrator to the State Board of Investment for investment  
72.14 under section 11A.14, subject to the policies and procedures established by the State  
72.15 Board of Investment. Investment earnings must be credited to the trust account of the  
72.16 individual political subdivision or public entity.

72.17 (c) A trust administrator, other than the Public Employees Retirement Association,  
72.18 must ensure that all money in the trust accounts for which it is trust administrator is  
72.19 invested by a registered investment adviser, a bank investment trust department, or an  
72.20 insurance company or agency retirement investment department. Investment earnings  
72.21 must be credited to the trust account of the individual political subdivision or public entity.

72.22 (d) For trust assets invested by the State Board of Investment, the investment  
72.23 restrictions shall be the same as those generally applicable to the State Board of  
72.24 Investment. For trust assets invested by a trust administrator other than the Public  
72.25 Employees Retirement Association, the assets may only be invested in investments  
72.26 authorized under chapter 118A or section 356A.06, subdivision 7, in the manner specified  
72.27 in the applicable trust document.

72.28 (e) A political subdivision or public entity may provide investment direction to a  
72.29 trust administrator in compliance with any applicable trust document.

72.30 Subd. 6. **Limit on deposit.** A political subdivision or public entity may not  
72.31 deposit money in a trust or trust account created pursuant to this section if the total  
72.32 amount invested by that political subdivision or public entity would exceed the political  
72.33 subdivision's or public entity's actuarially determined liabilities for postemployment  
72.34 benefits due to officers and employees, as determined under the applicable standards of the  
72.35 Governmental Accounting Standards Board.

73.1 Subd. 7. **Withdrawal of funds and termination of account.** (a) For a revocable  
73.2 account, a political subdivision or public entity may withdraw some or all of its money  
73.3 or terminate the trust account for any reason. Money and accrued investment earnings  
73.4 withdrawn from a revocable account must be deposited in a fund separate and distinct from  
73.5 any other funds of the political subdivision or public entity. This money, with accrued  
73.6 investment earnings, must be used to pay legally enforceable postemployment benefits  
73.7 to former officers and employees, unless (i) there has been a change in state or federal  
73.8 law affecting that political subdivision's or public entity's liabilities for postemployment  
73.9 benefits, or (ii) there has been a change in the demographic composition of that political  
73.10 subdivision's or public entity's employees eligible for postemployment benefits, or (iii)  
73.11 there has been a change in the provisions or terms of the postemployment benefits in that  
73.12 political subdivision or public entity including, but not limited to, the portion of the costs  
73.13 eligible employees must pay to receive the benefits, or (iv) other factors exist that have  
73.14 a material effect on that political subdivision's or public entity's actuarially determined  
73.15 liabilities for postemployment benefits, in which event any amount in excess of 100  
73.16 percent of that political subdivision's or public entity's actuarially determined liabilities for  
73.17 postemployment benefits, as determined under standards of the Government Accounting  
73.18 Standards Board, may be withdrawn and used for any purpose.

73.19 (b) For an irrevocable account, a political subdivision or public entity may withdraw  
73.20 money only:

73.21 (1) as needed to pay postemployment benefits owed to former officers and employees  
73.22 of the political subdivision or public entity; or

73.23 (2) when all postemployment benefit liability owed to former officers or employees  
73.24 of the political subdivision or public entity has been satisfied or otherwise defeased.

73.25 (c) A political subdivision or public entity requesting withdrawal of money from  
73.26 an account created under this section must do so at a time and in the manner required by  
73.27 the executive director of the Public Employees Retirement Association or specified in an  
73.28 applicable trust document. The political subdivision or public entity that created the trust  
73.29 must ensure that withdrawals comply with the requirements of this section.

73.30 (d) The legislature may not divert funds in these trusts or trust accounts for use for  
73.31 any other purpose.

73.32 Subd. 8. **Status of irrevocable trust.** (a) All money in an irrevocable trust or  
73.33 trust account created in this section is held in trust for the exclusive benefit of former  
73.34 officers and employees of the participating political subdivision or public entity, and are  
73.35 not subject to claims by creditors of the state, the participating political subdivision or

74.1 public entity, the current or former officers and employees of the political subdivision  
 74.2 or public entity, or the trust administrator.

74.3 (b) An irrevocable trust fund or trust account created in this section shall be deemed  
 74.4 an arrangement equivalent to a trust for all legal purposes.

74.5 **EFFECTIVE DATE.** This section is effective the day following final enactment,  
 74.6 and is applicable immediately to all political subdivisions or public entities subject to  
 74.7 Statement No. 45 of the Governmental Accounting Standards Board in 2007, to those  
 74.8 political subdivisions or public entities whose trusts or trust accounts are validated  
 74.9 by section 113, and to those political subdivisions or public entities that have begun  
 74.10 consideration of measures to implement Statement No. 45 in 2007. This section is  
 74.11 applicable on July 1, 2008, for all other political subdivisions or public entities.

74.12 Sec. 104. Minnesota Statutes 2006, section 473.246, is amended to read:

74.13 **473.246 COUNCIL'S SUBMISSIONS TO ~~LEGISLATIVE COMMISSION~~**  
 74.14 **LEGISLATURE.**

74.15 The Metropolitan Council shall submit to the ~~Legislative Commission on~~  
 74.16 ~~Metropolitan Government~~ chairs of the legislative committees with jurisdiction over  
 74.17 metropolitan affairs information on the council's tax rates and dollar amounts levied for  
 74.18 the current year, proposed property tax rates and levies, operating and capital budgets,  
 74.19 work program, capital improvement program, and any other information requested by the  
 74.20 ~~commission, for review by the legislative commission, as provided in section 3.8841~~  
 74.21 relevant committees.

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

74.23 Sec. 105. Minnesota Statutes 2006, section 477A.014, subdivision 4, is amended to  
 74.24 read:

74.25 Subd. 4. **Costs.** The director of the Office of Strategic and Long-Range Planning  
 74.26 shall annually bill the commissioner of revenue for one-half of the costs incurred by the  
 74.27 state demographer in the preparation of materials required by section 4A.02. The state  
 74.28 auditor shall bill the commissioner of revenue for the costs of best practices reviews  
 74.29 and the services provided by the Government Information Division and the parts of the  
 74.30 constitutional office that are related to the government information function, and for  
 74.31 the services provided by the Tax Increment Financing Investment and Finance Division  
 74.32 required by section 469.3201, not to exceed ~~\$217,000~~ \$614,000 each fiscal year. The  
 74.33 commissioner of administration shall bill the commissioner of revenue for the costs of

75.1 the local government records program and the intergovernmental information systems  
75.2 activity, not to exceed \$205,800 each fiscal year. The commissioner of employee relations  
75.3 shall bill the commissioner of revenue for the costs of administering the local government  
75.4 pay equity function, not to exceed \$55,000 each fiscal year.

75.5 Sec. 106. Minnesota Statutes 2006, section 491A.02, subdivision 4, is amended to read:

75.6 Subd. 4. **Representation.** (a) A corporation, partnership, limited liability company,  
75.7 sole proprietorship, or association may be represented in conciliation court by an officer,  
75.8 manager, or partner or an agent in the case of a condominium, cooperative, or townhouse  
75.9 association, or may appoint a natural person who is an employee or commercial property  
75.10 manager to appear on its behalf or settle a claim in conciliation court. The state or a  
75.11 political subdivision of the state may be represented in conciliation court by an employee  
75.12 of the pertinent governmental unit without a written authorization. The state also may be  
75.13 represented in conciliation court by an employee of the Division of Risk Management of  
75.14 the Department of Administration without a written authorization. Representation under  
75.15 this subdivision does not constitute the practice of law for purposes of section 481.02,  
75.16 subdivision 8. In the case of an officer, employee, commercial property manager, or  
75.17 agent of a condominium, cooperative, or townhouse association, an authorized power  
75.18 of attorney, corporate authorization resolution, corporate bylaw, or other evidence of  
75.19 authority acceptable to the court must be filed with the claim or presented at the hearing.  
75.20 This subdivision also applies to appearances in district court by a corporation or limited  
75.21 liability company with five or fewer shareholders or members and to any condominium,  
75.22 cooperative, or townhouse association, if the action was removed from conciliation court.

75.23 (b) "Commercial property manager" means a corporation, partnership, or limited  
75.24 liability company or its employees who are hired by the owner of commercial real  
75.25 estate to perform a broad range of administrative duties at the property including tenant  
75.26 relations matters, leasing, repairs, maintenance, the negotiation and resolution of tenant  
75.27 disputes, and related matters. In order to appear in conciliation court, a property manager's  
75.28 employees must possess a real estate license under section 82.20 and be authorized by the  
75.29 owner of the property to settle all disputes with tenants and others within the jurisdictional  
75.30 limits of conciliation court.

75.31 (c) A commercial property manager who is appointed to settle a claim in conciliation  
75.32 court may not charge or collect a separate fee for services rendered under paragraph (a).

75.33 Sec. 107. Minnesota Statutes 2006, section 507.24, subdivision 2, is amended to read:

76.1 Subd. 2. **Original signatures required.** (a) Unless otherwise provided by law, an  
 76.2 instrument affecting real estate that is to be recorded as provided in this section or other  
 76.3 applicable law must contain the original signatures of the parties who execute it and of the  
 76.4 notary public or other officer taking an acknowledgment. However, a financing statement  
 76.5 that is recorded as a filing pursuant to section 336.9-502(b) need not contain: (1) the  
 76.6 signatures of the debtor or the secured party; or (2) an acknowledgment.

76.7 (b)(1) Any electronic instruments, including signatures and seals, affecting real  
 76.8 estate may only be recorded as part of a pilot project for the electronic filing of real  
 76.9 estate documents implemented by the task force created in Laws 2000, chapter 391, or  
 76.10 by the Electronic Real Estate Recording Task Force created under section 507.094. The  
 76.11 Electronic Real Estate Recording Task Force created under section 507.094 may amend  
 76.12 standards set by the task force created in Laws 2000, chapter 391, and may set new or  
 76.13 additional standards and establish pilot projects to the full extent permitted in section  
 76.14 507.094, subdivision 2, paragraph (b). Documents recorded in conformity with those  
 76.15 standards and in those pilot projects are deemed to meet the requirements of this section.

76.16 (2)(i) A county that participated in the pilot project for the electronic filing of real  
 76.17 estate documents under the task force created in Laws 2000, chapter 391, may continue to  
 76.18 record or file documents electronically, if:

76.19 (†) (A) the county complies with standards adopted by the task force; and

76.20 (‡) (B) the county uses software that was validated by the task force.

76.21 (ii) A county that did not participate in the pilot project may record or file a real  
 76.22 estate document electronically, if:

76.23 (†) (A) the document to be recorded or filed is of a type included in the pilot project  
 76.24 for the electronic filing of real estate documents under the task force created in Laws  
 76.25 2000, chapter 391;

76.26 (††) (B) the county complies with the standards adopted by the task force;

76.27 (†††) (C) the county uses software that was validated by the task force; and

76.28 (††††) (D) the task force created under section 507.094, votes to accept a written  
 76.29 certification of compliance with paragraph (b), clause (2), of this section by the county  
 76.30 board and county recorder of the county to implement electronic filing under this section.

76.31 (c) Notices filed pursuant to section 168A.141, subdivisions 1 and 3, need not  
 76.32 contain an acknowledgment.

76.33 Sec. 108. Laws 2006, chapter 253, section 22, subdivision 1, is amended to read:

76.34 Subdivision 1. **Genetic information; work group.** (a) The commissioner must  
 76.35 create a work group to develop principles for public policy on the use of genetic

77.1 information. The work group must include representatives of state government, including  
 77.2 the judicial branch, local government, prosecutors, public defenders, the American Civil  
 77.3 Liberties Union - Minnesota, the Citizens Council on Health Care, the University of  
 77.4 Minnesota Center on Bioethics, the Minnesota Medical Association, the Mayo Clinic  
 77.5 and Foundation, the March of Dimes, and representatives of employers, researchers,  
 77.6 epidemiologists, laboratories, and insurance companies.

77.7 (b) The commissioner of administration and the work group must conduct reviews  
 77.8 of the topics in paragraphs (c) to (f), in light of the issues raised in the report on treatment  
 77.9 of genetic information under state law required by Laws 2005, chapter 163, section 87.  
 77.10 The commissioner must report the results, including any recommendations for legislative  
 77.11 changes, to the chairs of the house Civil Law Committee and the senate Judiciary  
 77.12 Committee and the ranking minority members of those committees by January 15, ~~2008~~  
 77.13 2009.

77.14 (c) The commissioner and the work group must determine whether changes are  
 77.15 needed in Minnesota Statutes, section 144.69, dealing with collection of information  
 77.16 from cancer patients and their relatives.

77.17 (d) The commissioner and the work group must make recommendations whether  
 77.18 all relatives affected by a formal three-generation pedigree created by the Department of  
 77.19 Health should be able to access the entire data set, rather than only allowing individuals  
 77.20 access to the data of which they are the subject.

77.21 (e) The commissioner and the work group must identify, and may make  
 77.22 recommendations among, options for resolving questions of secondary uses of genetic  
 77.23 information.

77.24 (f) The commissioner and the work group must make recommendations whether  
 77.25 legislative changes are needed regarding access to DNA test results and the specimens  
 77.26 used to create the test results held by the Bureau of Criminal Apprehension as part of  
 77.27 a criminal investigation.

77.28 Sec. 109. Laws 2006, chapter 258, section 14, subdivision 6, is amended to read:

77.29 **Subd. 6. Starbase Minnesota** 150,000

77.30 For predesign and design of a new facility  
 77.31 for the Starbase Minnesota program, ~~subject~~  
 77.32 ~~to Minnesota Statutes, section 16A.695.~~ This  
 77.33 appropriation is from the general fund.

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

78.1       Sec. 110. **BOND SALE AUTHORIZATION REDUCED.**

78.2             The bond sale authorization in Laws 2006, chapter 258, section 25, subdivision 1,  
78.3 is reduced by \$150,000.

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

78.5       Sec. 111. **FORD BUILDING.**

78.6             The Ford Building at 117 University Avenue in St. Paul may not be demolished  
78.7 during the biennium ending June 30, 2009.

78.8       Sec. 112. **TASK FORCE.**

78.9             Subdivision 1. **Creation.** A task force is created to work with the Commissioner of  
78.10 Administration on a disparity study. The task force consists of one member appointed by  
78.11 and serving at the pleasure of each of the following groups:

78.12             (1) the Council on Asian-Pacific Minnesotans;

78.13             (2) the Council on Black Minnesotans;

78.14             (3) the Council on Affairs of Chicano/Latino people;

78.15             (4) the Indian Affairs Council;

78.16             (5) the Association of Women Contractors; and

78.17             (6) the National Association of Minority Contractors.

78.18             Subd. 2. **Consultation and approval.** (a) The commissioner must consult with  
78.19 the task force on the design of the disparity study, the nature of the services sought in a  
78.20 request for proposals for the study, the criteria that the commissioner will use to evaluate  
78.21 and select a contractor, and selection of the contractor.

78.22             (b) The commissioner must consult with the task force regarding the commissioner's  
78.23 interpretation of data obtained through the study, and on the commissioner's  
78.24 recommendations for any changes in the targeted group purchasing program resulting from  
78.25 the study. The task force may make its own recommendations before the commissioner  
78.26 presents the recommendations in a final report. If the commissioner's recommendations  
78.27 are different from the task force recommendations, the commissioner's report must note  
78.28 the differences.

78.29             Subd. 3. **Support services.** The commissioner must provide meeting space and  
78.30 administrative support to the task force.

78.31             Subd. 4. **Expiration.** The task force expires at the end of the regular session of the  
78.32 legislature at which the commissioner presents the results of the targeted group business  
78.33 disparity study to the legislature.

79.1       Sec. 113. **VALIDATION.**

79.2           Any trust or trust account or other custodial account or contract authorized under  
79.3 section 401(f) of the Internal Revenue Code, created prior to June 6, 2006, to pay  
79.4 postemployment benefits to employees or officers after termination of service, is hereby  
79.5 validated, may continue in full force and effect, and shall have continuing authority  
79.6 to accept new funds; however, this section does not validate or correct defects in any  
79.7 previously created trust document. Any funds held by a validated trust or account  
79.8 under this section may be invested as provided in Minnesota Statutes, section 471.6175,  
79.9 subdivision 5. A validated trust or account shall have until January 1, 2008, to bring  
79.10 its trust documents and procedures into compliance with Minnesota Statutes, section  
79.11 471.6175.

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

79.13       Sec. 114. **REPORT; ACCOUNTING PRINCIPLES.**

79.14           By October 15, 2007, the commissioner of finance must provide a report listing  
79.15 specific areas where state budgeting practices differ from generally accepted accounting  
79.16 principles and the reasons for those differences. If that difference is a result of direction in  
79.17 law, the report must include the law causing the difference.

79.18       Sec. 115. **BUILDING REPLACEMENT FUNDS.**

79.19           In addition to the requirements in Laws 2002, chapter 400, section 13, subdivision 7,  
79.20 the commissioner of administration shall collect appropriate rent revenues for the Elmer L.  
79.21 Andersen and Orville L. Freeman buildings to be set aside in a segregated special revenue  
79.22 fund for deferred maintenance and other extraordinary building repairs. Funds shall be  
79.23 expended for these purposes as determined by the commissioner.

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

79.25       Sec. 116. **COMPENSATION FOR PERIOD OF PARTIAL GOVERNMENT**  
79.26 **SHUTDOWN.**

79.27           Subdivision 1. **Definitions; coverage.** For purposes of this section:

79.28           (1) "employee" means a state employee, as defined in Minnesota Statutes, section  
79.29 43A.02, subdivision 21, who is a state employee on the effective date of this section and  
79.30 who the commissioner determines was prevented from working because of the partial  
79.31 government shutdown; and

80.1 (2) "partial government shutdown" means the period from July 1, 2005, through July  
80.2 14, 2005, during which appropriations needed to fund certain state government functions  
80.3 had not been enacted.

80.4 Subd. 2. **Credit for uncompensated hours.** A state employee who was previously  
80.5 compensated in cash or by a credit to the employee's vacation bank for hours the employee  
80.6 could not work due to the partial government shutdown, must:

80.7 (1) be paid an additional amount equal to the previous payment, if the previous  
80.8 payment was made in cash; or

80.9 (2) have hours credited to the employee's vacation bank in the same amount as  
80.10 the previous credit.

80.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.  
80.12 The commissioner must make payments or credits required by this section within 30  
80.13 days of the effective date of this section.

80.14 **Sec. 117. ELECTRONIC DOCUMENTS STUDY AND REPORT.**

80.15 Subdivision 1. **Study.** The chief information officer of the state shall study  
80.16 how electronic documents and the mechanisms and processes for accessing and  
80.17 reading electronic data can be created, maintained, exchanged, and preserved by the  
80.18 state in a manner that encourages appropriate government control, access, choice,  
80.19 and interoperability. The study must consider, but not be limited to, the policies of  
80.20 other states and nations, management guidelines for state archives as they pertain to  
80.21 electronic documents, public access, expected storage life of electronic documents, costs  
80.22 of implementation, and savings. The chief information officer shall solicit comments  
80.23 regarding the creation, maintenance, exchange, and preservation of electronic documents  
80.24 by the state from stakeholders, including but not limited to the legislative auditor,  
80.25 the attorney general, the state archivist, the state legislative reference librarian, other  
80.26 librarians, representatives of the state historical society, and other historians. The chief  
80.27 information officer shall also solicit comments from members of the public.

80.28 Subd. 2. **Report and recommendation.** The chief information officer shall  
80.29 report the officer's findings and recommendations to the chairs of the senate State  
80.30 and Local Government Operations and Oversight Committee; house Government  
80.31 Operations, Reform, Technology and Elections Committee; and the senate and house State  
80.32 Government Finance Divisions by January 15, 2008.

80.33 **Sec. 118. LABOR AGREEMENTS AND COMPENSATION PLANS.**

81.1 Subdivision 1. **Minnesota Law Enforcement Association.** The labor agreement  
81.2 between the state of Minnesota and the Minnesota Law Enforcement Association,  
81.3 approved by the Legislative Coordinating Commission Subcommittee on Employee  
81.4 Relations on August 7, 2006, is ratified.

81.5 Subd. 2. **Minnesota Nurses Association.** The labor agreement between the  
81.6 state of Minnesota and the Minnesota Nurses Association, approved by the Legislative  
81.7 Coordinating Commission Subcommittee on Employee Relations on September 18, 2006,  
81.8 is ratified.

81.9 Subd. 3. **Office of Higher Education.** The amendments to the compensation  
81.10 plan for unrepresented employees of the Office of Higher Education, approved by  
81.11 the Legislative Coordinating Commission Subcommittee on Employee Relations on  
81.12 September 18, 2006, are ratified.

81.13 Subd. 4. **Gambling Control Board.** The proposal to increase the salary of the  
81.14 director of the Gambling Control Board, as approved by the Legislative Coordinating  
81.15 Commission Subcommittee on Employee Relations on August 7, 2006, is ratified.

81.16 Subd. 5. **Public Employees Retirement Association.** The proposal to increase  
81.17 the salary of the director of the Public Employees Retirement Association, as approved  
81.18 by the Legislative Coordinating Commission Subcommittee on Employee Relations on  
81.19 March 27, 2007, is ratified.

81.20 Subd. 6. **Minnesota State Retirement System.** The proposal to increase the  
81.21 salary of the director of the Minnesota State Retirement System, as approved by the  
81.22 Legislative Coordinating Commission Subcommittee on Employee Relations on March  
81.23 27, 2007, is ratified.

81.24 Subd. 7. **Teachers Retirement Association.** The proposal to increase the salary  
81.25 of the director of the Teachers Retirement Association, as approved by the Legislative  
81.26 Coordinating Commission Subcommittee on Employee Relations on March 27, 2007,  
81.27 is ratified.

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

81.29 Sec. 119. **STATE EMPLOYEES ELECTRONIC HEALTH RECORDS PILOT**  
81.30 **PROJECT.**

81.31 Subdivision 1. **Project established.** The Minnesota State Colleges and Universities  
81.32 Board of Trustees (MnSCU), in collaboration with the commissioner of employee relations  
81.33 shall establish an enterprise-wide pilot project to provide consumer-owned electronic  
81.34 personal health records to MnSCU employees and all participants in the state employee  
81.35 group insurance program. If the Department of Employee Relations is abolished, then the

82.1 Minnesota State Colleges and Universities Board of Trustees shall work in collaboration  
82.2 with the commissioner of the department responsible for administration of the state  
82.3 employee group insurance program.

82.4 Subd. 2. **Project goals.** The goal of the project is to provide consumer-owned  
82.5 electronic personal health records that are portable among health care providers, health  
82.6 plan companies, and employers in order to control costs, improve quality, and enhance  
82.7 safety, and to demonstrate the feasibility of a statewide health information exchange.  
82.8 The pilot project shall coordinate to the extent possible with other health information  
82.9 consumer engagement initiatives in Minnesota designed to support the goal of statewide  
82.10 health information exchange. The electronic personal health records may provide, but  
82.11 are not limited to, the following:

82.12 (1) access to electronic medical records;

82.13 (2) prescription and appointment information;

82.14 (3) information regarding health education, public health, and health cost  
82.15 management; and

82.16 (4) privacy, security, and HIPAA compliance.

82.17 **Sec. 120. VALUE-ADDED CONTRACT AUTHORITY.**

82.18 (a) The director of the Office of Enterprise Technology, with approval of  
82.19 the commissioner of finance, may enter into contracts for: (1) development and  
82.20 implementation of an electronic system for executive branch state agencies to issue  
82.21 licenses; and (2) development and implementation of an integrated system to support  
82.22 tax processing, reporting, and enforcement functions. The director must use funds  
82.23 appropriated by this act for these purposes. In addition, the director may enter into  
82.24 contracts for these purposes under which the vendor initially pays all or part of the costs,  
82.25 and the state accounting system does not show an encumbrance for some or all of the  
82.26 contract liability when the director initially enters into the contracts.

82.27 (b) Before entering into a contract authorized by this section, the director must  
82.28 prepare, and the commissioner of finance must approve, a plan for how payments will be  
82.29 made to the vendors under the contracts. If the contracts will involve performance-based  
82.30 payments to the vendor, the plan must describe the criteria for making those payments. If  
82.31 the director intends to pay for all or part of the contract from savings generated, the plan  
82.32 must describe what savings are anticipated, and how the savings will be captured so as to  
82.33 be available to make payments under the contract. The plan must explain how the total  
82.34 contract costs relate to the costs anticipated in the governor's budget recommendations  
82.35 presented to the legislature in 2007.

83.1 (c) The director must present the plan required by paragraph (b) to the chairs of the  
83.2 house Ways and Means and Finance Committees and the senate Finance Committee when  
83.3 the director submits the plan to the commissioner of finance for approval. The director  
83.4 must notify these chairs when the commissioner of finance has approved the plan. This  
83.5 notice must include any changes from the original plan.

83.6 (d) The director must report to the chairs of the house Ways and Means and Finance  
83.7 Committees and the senate Finance Committee by January 15 each of the next five years  
83.8 after entering into a contract authorized under this section. The report must include a  
83.9 detailed breakdown of how and by whom the contract costs are being paid, and on the cost  
83.10 savings and service improvements achieved as a result of the contract.

83.11 **Sec. 121. PRE-1969 TRA MEMBER GRATUITY PAYMENT.**

83.12 (a) \$4,100,000 is appropriated to the executive director of the Teachers Retirement  
83.13 Association for the payment of a gratuity to persons who were teachers as defined in  
83.14 Minnesota Statutes, section 354.05, subdivision 2, and who rendered teaching service as  
83.15 defined in Minnesota Statutes, section 354.05, subdivision 3, either during the 1968-1969  
83.16 school year, but were not covered by the improved money purchase program savings  
83.17 clause in Minnesota Statutes, section 354.55, subdivision 17, or before the 1968-1969  
83.18 school year, did not take a refund of member contributions upon the termination of teacher  
83.19 service, and who were eligible to make an election under Minnesota Statutes 1971, section  
83.20 354.55, subdivision 8. The payment is intended to reflect the special contribution of  
83.21 these persons to education and to offset any unfulfilled expectation the person may have  
83.22 as to potential benefit levels. The gratuity payment amount for each person is \$1,000 or  
83.23 a prorated portion of that amount if, at any time, the executive director of the Teachers  
83.24 Retirement Association determines that payment of the full amount to the remaining  
83.25 participants would likely exceed the appropriation.

83.26 (b) The Teachers Retirement Association shall make available to persons eligible to  
83.27 receive a payment under this section on or before August 1, 2007, an application form.  
83.28 Filing an application form is a waiver of any legal, equitable, or legislative claim for any  
83.29 other special consideration and the form must indicate the waiver.

83.30 (c) On August 1, 2007, the Teachers Retirement Association shall determine those  
83.31 remaining persons who are eligible to receive a payment under this section and who have  
83.32 not applied for a payment and send to each remaining person, at the person's residence  
83.33 of record, a state warrant of the full or a prorated payment amount. If the recipient  
83.34 negotiates the state warrant, that negotiation constitutes a waiver of any legal, equitable,  
83.35 or legislative claim for any other special consideration as documentation accompanying

84.1 the warrant must indicate the waiver. Any warrant under this section expires on August  
 84.2 1, 2009, and the amount of any unnegotiated state warrant under this section cancels  
 84.3 to the Teachers Retirement Association.

84.4 **Sec. 122. CERTIFICATE OF COMPLIANCE; TEMPORARY PROVISION.**

84.5 Subdivision 1. **Pay equity.** Until July 1, 2008, a business that is not in compliance  
 84.6 with equitable compensation relationship standards under Minnesota Statutes, section  
 84.7 43A.50, is making a good faith effort to achieve compliance if the commissioner of  
 84.8 employee relations has approved:

84.9 (1) a statement of the business's intention to prepare a pay equity report and an  
 84.10 estimated date no later than July 1, 2008, when the report and plan will be submitted; and

84.11 (2) information on the business's current status, including a statement on the  
 84.12 existence of a company-wide job evaluation system, the total number of male and female  
 84.13 employees of the business, and the business's interest in receiving training on how to  
 84.14 establish equitable compensation relationships.

84.15 Subd. 2. **Report.** The commissioner of employee relations shall report to the  
 84.16 legislature by January 31, 2008, on implementation of this section. The report must  
 84.17 include findings and recommendations on any changes needed to ensure that state  
 84.18 contractors achieve equitable compensation relationships.

84.19 **Sec. 123. SUSTAINABLE GROWTH WORKING GROUP.**

84.20 Subdivision 1. **Creation.** The sustainable growth working group consists of the  
 84.21 following members:

84.22 (1) two senators, including one member of the minority caucus, appointed by the  
 84.23 Subcommittee on Committees of the Committee on Rules and Administration;

84.24 (2) two members of the house of representatives, one appointed by the speaker  
 84.25 and one appointed by the minority leader;

84.26 (3) commissioners of the following agencies, or their designees: Department of  
 84.27 Natural Resources, Department of Administration, Department of Agriculture, Department  
 84.28 of Commerce, Department of Transportation, Department of Employment and Economic  
 84.29 Development, Minnesota Housing Finance Agency, and the Minnesota Pollution Control  
 84.30 Agency; and the chair of the Metropolitan Council or the chair's designee;

84.31 (4) up to 12 public members who have an interest in promoting sustainable  
 84.32 communities in Minnesota, including up to six public members appointed by the speaker  
 84.33 of the house of representatives and up to six public members appointed by the majority  
 84.34 leader of the senate. The appointing authorities must use their best efforts to include at

85.1 least one representative from each of the following sectors: business, environmental,  
85.2 energy, affordable housing, transportation, local government, planning, and philanthropic.

85.3 The membership of the working group must include balanced representation from  
85.4 rural, urban, and suburban areas of the state.

85.5 Subd. 2. **Duties.** The working group must identify strategies, recommendations, and  
85.6 a process for implementing state-level coordination of state and local policies, programs,  
85.7 and regulations in the areas of housing, transportation, natural resource preservation,  
85.8 capital development, economic development, sustainability, and preservation of the  
85.9 environment. The working group must identify sustainable development principles that  
85.10 will guide decision making in Minnesota. The working group must gather information  
85.11 and develop strategies relative to the strategic use of state resources, to be consistent with  
85.12 statewide goals of sustainable development. The working group must report proposed  
85.13 strategies, recommendations, and a process for implementation to the legislature and the  
85.14 governor by February 1, 2008. In its report to the legislature and the governor, the working  
85.15 group must identify its source of funding.

85.16 Subd. 3. **Administrative provisions.** (a) The commissioner of administration  
85.17 must convene the initial meeting. Upon request of the working group, the commissioner  
85.18 must provide meeting space and administrative services for the group. The Office of  
85.19 Geographic and Demographic Analysis must provide staff support for the working group.  
85.20 The members of the working group must elect a chair.

85.21 (b) Members of the working group serve without compensation but may be  
85.22 reimbursed for expenses under Minnesota Statutes, section 15.059.

85.23 (c) The working group expires June 30, 2008.

85.24 (d) The working group may accept gifts and grants, which are accepted on behalf  
85.25 of the state and constitute donations to the state. Funds received are appropriated to the  
85.26 commissioner of administration for purposes of the working group.

85.27 **Sec. 124. ASSISTANCE.**

85.28 House and senate staff must assist the Legislative Coordinating Commission with  
85.29 new duties assigned to the commission by this act.

85.30 **Sec. 125. TRAINING SERVICES.**

85.31 During the biennium ending June 30, 2009, state executive branch agencies must  
85.32 consider using services provided by government training services before contracting with  
85.33 other outside vendors for similar services.

86.1 Sec. 126. **REPEALER.**

86.2 Minnesota Statutes 2006, sections 3.884; 3.8841; 6.56, subdivision 1; 16A.102;  
 86.3 16C.055, subdivision 1; 16C.08, subdivision 4a; 69.051, subdivision 1c; 359.085,  
 86.4 subdivision 8; and 645.44, subdivision 19, are repealed.

### 86.5 ARTICLE 3

### 86.6 BEST VALUE CONTRACTS

86.7 Section 1. Minnesota Statutes 2006, section 16C.02, is amended by adding a  
 86.8 subdivision to read:

86.9 Subd. 4a. **Best value; construction.** For purposes of construction, building,  
 86.10 alteration, improvement, or repair services, "best value" describes the result determined by  
 86.11 a procurement method that considers price and performance criteria, which may include,  
 86.12 but are not limited to:

86.13 (1) the quality of the vendor's or contractor's performance on previous projects;

86.14 (2) the timeliness of the vendor's or contractor's performance on previous projects;

86.15 (3) the level of customer satisfaction with the vendor's or contractor's performance  
 86.16 on previous projects;

86.17 (4) the vendor's or contractor's record of performing previous projects on budget and  
 86.18 ability to minimize cost overruns;

86.19 (5) the vendor's or contractor's ability to minimize change orders;

86.20 (6) the vendor's or contractor's ability to prepare appropriate project plans;

86.21 (7) the vendor's or contractor's technical capacities;

86.22 (8) the individual qualifications of the contractor's key personnel; or

86.23 (9) the vendor's or contractor's ability to assess and minimize risks.

86.24 "Performance on previous projects" does not include the exercise or assertion of a  
 86.25 person's legal rights. This definition does not apply to sections 16C.32, 16C.33, 16C.34,  
 86.26 and 16C.35.

86.27 Sec. 2. Minnesota Statutes 2006, section 16C.02, is amended by adding a subdivision  
 86.28 to read:

86.29 Subd. 20. **Vendor.** "Vendor" means a business, including a construction contractor  
 86.30 or a natural person, and includes both if the natural person is engaged in a business.

86.31 Sec. 3. Minnesota Statutes 2006, section 16C.03, subdivision 3, is amended to read:

86.32 Subd. 3. **Acquisition authority.** The commissioner shall acquire all goods, services,  
 86.33 and utilities needed by agencies. The commissioner shall acquire goods, services, and

87.1 utilities by requests for bids, requests for proposals, reverse auctions as provided in  
87.2 section 16C.10, subdivision 7, or other methods provided by law, unless a section of law  
87.3 requires a particular method of acquisition to be used. The commissioner shall make all  
87.4 decisions regarding acquisition activities. The determination of the acquisition method  
87.5 and all decisions involved in the acquisition process, unless otherwise provided for by  
87.6 law, shall be based on best value which includes an evaluation of price and may include  
87.7 other considerations including, but not limited to, environmental considerations, quality,  
87.8 and vendor performance. A best value determination must be based on the evaluation  
87.9 criteria detailed in the solicitation document. If criteria other than price are used, the  
87.10 solicitation document must state the relative importance of price and other factors. ~~Unless~~  
87.11 ~~it is determined by the commissioner that an alternative solicitation method provided by~~  
87.12 ~~law should be used to determine best value, a request for bid must be used to solicit~~  
87.13 ~~formal responses for all building and construction contracts.~~ Any or all responses may  
87.14 be rejected. When using the request for bid process, the bid must be awarded to the  
87.15 lowest responsive and responsible bidder, taking into consideration conformity with  
87.16 the specifications, terms of delivery, the purpose for which the contract or purchase is  
87.17 intended, the status and capability of the vendor, and other considerations imposed in the  
87.18 request for bids. The commissioner may decide which is the lowest responsible bidder  
87.19 for all purchases and may use the principles of life-cycle costing, where appropriate, in  
87.20 determining the lowest overall bid. The duties set forth in this subdivision are subject to  
87.21 delegation pursuant to this section.

87.22 Sec. 4. Minnesota Statutes 2006, section 16C.03, is amended by adding a subdivision  
87.23 to read:

87.24 Subd. 3a. **Acquisition authority; construction contracts.** For all building and  
87.25 construction contracts, the commissioner shall award contracts pursuant to section 16C.28,  
87.26 and "best value" shall be defined and applied as set forth in sections 16C.02, subdivision  
87.27 4a and 16C.28, subdivision 1, paragraph (a), clause (2). The duties set forth in this  
87.28 subdivision are subject to delegation pursuant to this section. The commissioner shall  
87.29 establish procedures for developing and awarding best value requests for proposals for  
87.30 construction projects. The criteria to be used to evaluate the proposals must be included in  
87.31 the solicitation document and must be evaluated in an open and competitive manner.

87.32 Sec. 5. Minnesota Statutes 2006, section 16C.03, is amended by adding a subdivision  
87.33 to read:

88.1            Subd. 18. **Training.** Users of best value procurement may be trained in the  
88.2 request for proposals process for best value contracting for construction projects.  
88.3 The commissioner may establish a training program for state and local officials and  
88.4 employees, and vendors and contractors, on best value procurement for construction  
88.5 projects, including those governed by section 16C.02, subdivision 4a. If the commissioner  
88.6 establishes such a training program, the state may charge a fee for providing training.

88.7            Sec. 6. Minnesota Statutes 2006, section 16C.26, is amended to read:

88.8            **16C.26 COMPETITIVE BIDS OR PROPOSALS.**

88.9            Subdivision 1. **Application.** Except as otherwise provided by sections 16C.10,  
88.10 16C.26 and 16C.27, all contracts for building and construction or repairs must be based on  
88.11 competitive bids or proposals. "Competitive proposals" specifically refers to the method  
88.12 of procurement described in section 16C.28, subdivision 1, paragraph (a), clause (2).

88.13            Subd. 2. **Requirement contracts.** Standard requirement price contracts for building  
88.14 and construction must be established by competitive bids as provided in subdivision 1.  
88.15 The standard requirement price contracts may contain escalation clauses and may provide  
88.16 for a negotiated price increase or decrease based upon a demonstrable industrywide or  
88.17 regional increase or decrease in the vendor's costs or for the addition of similar products or  
88.18 replacement items not significant to the total value of existing contracts. The term of these  
88.19 contracts may not exceed five years including all extensions.

88.20            Subd. 3. **Publication of notice; expenditures over \$25,000.** If the amount of an  
88.21 expenditure is estimated to exceed \$25,000, bids or proposals must be solicited by public  
88.22 notice in a manner designated by the commissioner. To the extent practical, this must  
88.23 include posting on a state Web site. For expenditures over \$50,000, when a call for bids is  
88.24 issued the commissioner shall solicit sealed bids by providing notices to all prospective  
88.25 bidders known to the commissioner by posting notice on a state Web site at least seven  
88.26 days before the final date of submitting bids. All bids over \$50,000 must be sealed when  
88.27 they are received and must be opened in public at the hour stated in the notice. All  
88.28 proposals responsive to a request for proposals according to section 16C.28, subdivision 1,  
88.29 paragraph (a), clause (2), shall be submitted and evaluated in the manner described in the  
88.30 request for proposals, regardless of the dollar amount. All original bids and proposals and  
88.31 all documents pertaining to the award of a contract must be retained and made a part of a  
88.32 permanent file or record and remain open to public inspection.

88.33            Subd. 4. **Building and construction contracts; \$50,000 or less.** An informal bid  
88.34 may be used for building, construction, and repair contracts that are estimated at less than  
88.35 \$50,000. Informal bids must be authenticated by the bidder in a manner specified by the

89.1 commissioner. Alternatively, a request for proposals may be issued according to section  
89.2 16C.28, subdivision 1, paragraph (a), clause (2), for such contracts.

89.3 Subd. 5. **Standard specifications, security.** Contracts must be based on the  
89.4 standard specifications prescribed and enforced by the commissioner under this chapter,  
89.5 unless otherwise expressly provided or as authorized under section 16C.28, subdivision 1,  
89.6 paragraph (a), clause (2). Each ~~bidder for a contract~~ vendor or contractor must furnish  
89.7 security approved by the commissioner to ensure the making of the contract being bid for.

89.8 Subd. 6. **Noncompetitive bids.** Agencies are encouraged to contract with small  
89.9 targeted group businesses designated under section 16C.16 when entering into contracts  
89.10 that are not subject to competitive bidding procedures.

89.11 Sec. 7. Minnesota Statutes 2006, section 16C.27, subdivision 1, is amended to read:

89.12 Subdivision 1. **Single source of supply.** Competitive bidding ~~is~~ or proposals are not  
89.13 required for contracts clearly and legitimately limited to a single source of supply, and the  
89.14 contract price may be best established by direct negotiation.

89.15 Sec. 8. Minnesota Statutes 2006, section 16C.28, is amended to read:

89.16 **16C.28 CONTRACTS; AWARD.**

89.17 Subdivision 1. ~~Lowest responsible bidder~~ **Award requirements.** (a) All state  
89.18 building and construction contracts entered into by or under the supervision of the  
89.19 commissioner or an agency for which competitive bids or proposals are required ~~must~~  
89.20 ~~be awarded to the lowest responsible bidder, taking into consideration conformity with~~  
89.21 ~~the specifications, terms of delivery, the purpose for which the contract is intended, the~~  
89.22 ~~status and capability of the vendor, and other considerations imposed in the call for bids.~~  
89.23 ~~The commissioner may decide which is the lowest responsible bidder for all contracts~~  
89.24 ~~and may use the principles of life cycle costing, where appropriate, in determining the~~  
89.25 ~~lowest overall bid. The head of the interested agency shall make the decision, subject~~  
89.26 ~~to the approval of the commissioner. Any or all bids may be rejected. In a case where~~  
89.27 ~~competitive bids are required and where all bids are rejected, new bids, if solicited, must~~  
89.28 ~~be called for as in the first instance, unless otherwise provided by law.~~ may be awarded to  
89.29 either of the following:

89.30 (1) the lowest responsible bidder, taking into consideration conformity with the  
89.31 specifications, terms of delivery, the purpose for which the contract is intended, the status  
89.32 and capability of the vendor or contractor, other considerations imposed in the call for  
89.33 bids, and, where appropriate, principles of life-cycle costing; or

90.1 (2) the vendor or contractor offering the best value, taking into account the  
90.2 specifications of the request for proposals, the price and performance criteria as set forth  
90.3 in section 16C.02, subdivision 4a, and described in the solicitation document.

90.4 (b) The vendor or contractor must secure bonding, commercial general insurance  
90.5 coverage, and workers' compensation insurance coverage under paragraph (a), clause  
90.6 (1) or (2). The commissioner shall determine whether to use the procurement process  
90.7 described in paragraph (a), clause (1), or the procurement process described in paragraph  
90.8 (a), clause (2). If the commissioner uses the method in paragraph (a), clause (2), the head  
90.9 of the agency shall determine which vendor or contractor offers the best value, subject to  
90.10 the approval of the commissioner. Any or all bids or proposals may be rejected.

90.11 Subd. 1a. **Establishment and purpose.** (a) The state recognizes the importance of  
90.12 the inclusion of a best value contracting system for construction as an alternative to the  
90.13 current low-bid system of procurement. In order to accomplish that goal, state and local  
90.14 governmental entities shall be able to choose the best value system in different phases.

90.15 (b) "Best value" means the procurement method defined in section 16C.02,  
90.16 subdivision 4a.

90.17 (c) The following entities are eligible to participate:

90.18 (1) phase I: state agencies, counties, cities, and school districts with the highest 25  
90.19 percent enrollment of students in the state, beginning on the effective date of this section;

90.20 (2) phase II: those entities included in phase I, counties with populations over  
90.21 100,000, and school districts with the highest 50 percent enrollment of students in the  
90.22 state, beginning two years from the effective date of this section; and

90.23 (3) phase III: all entities included in phases I and II, and all other counties, towns,  
90.24 school districts, and political subdivisions in the state, beginning three years from the  
90.25 effective date of this section.

90.26 (d) The commissioner or any agency for which competitive bids or proposals are  
90.27 required may not use best value contracting as defined in section 16C.02, subdivision 4a,  
90.28 for more than one project annually, or 20 percent of its projects, whichever is greater, in  
90.29 each of the first three fiscal years in which best value construction contracting is used.

90.30 Subd. 2. **Alterations and erasures.** A bid containing an alteration or erasure of  
90.31 any price contained in the bid which is used in determining the lowest responsible bid  
90.32 must be rejected unless the alteration or erasure is corrected in a manner that is clear and  
90.33 authenticated by an authorized representative of the responder. An alteration or erasure  
90.34 may be crossed out and the correction printed in ink or typewritten adjacent to it and  
90.35 initialed by an authorized representative of the responder.

91.1 Subd. 3. **Special circumstances.** The commissioner may reject the bid or proposal  
 91.2 of any ~~bidder~~ vendor or contractor who has failed to perform a previous contract with  
 91.3 the state. In the case of identical low bids from two or more bidders, the commissioner  
 91.4 may use negotiated procurement methods with the tied low bidders for that particular  
 91.5 transaction so long as the price paid does not exceed the low tied bid price. The  
 91.6 commissioner may award contracts to more than one ~~bidder~~ vendor or contractor in  
 91.7 accordance with subdivision 1, if doing so does not decrease the service level or diminish  
 91.8 the effect of competition.

91.9 Subd. 4. **Record.** A record must be kept of all bids or proposals, including names of  
 91.10 bidders, amounts of bids or proposals, and each successful bid or proposal. This record is  
 91.11 open to public inspection, subject to section 13.591 and other applicable law.

91.12 Subd. 5. **Preferences not cumulative.** The preferences under sections 16B.121,  
 91.13 16C.06, subdivision 7, and 16C.16 apply, but are not cumulative. The total percentage  
 91.14 of preference granted on a contract may not exceed the highest percentage of preference  
 91.15 allowed for that contract under any one of those sections.

91.16 Sec. 9. Minnesota Statutes 2006, section 103D.811, subdivision 3, is amended to read:

91.17 Subd. 3. **Awarding of contract.** (a) At a time and place specified in the bid notice,  
 91.18 the managers may accept or reject any or all bids and may award the contract to the lowest  
 91.19 responsible bidder. The bidder to whom the contract is to be awarded must give a bond,  
 91.20 with ample security, conditioned by satisfactory completion of the contract.

91.21 (b) Bids must not be considered which in the aggregate exceed by more than 30  
 91.22 percent the total estimated cost of construction or implementation.

91.23 (c) As an alternative to the procurement method described in paragraph (a), the  
 91.24 managers may issue a request for proposals and award the contract to the vendor or  
 91.25 contractor offering the best value as described in section 16C.28, subdivision 1, paragraph  
 91.26 (a), clause (2).

91.27 (d) The contract must be in writing and be accompanied by or refer to the plans and  
 91.28 specifications for the work to be done as prepared by the engineer for the watershed  
 91.29 district. The plans and specifications shall become a part of the contract.

91.30 ~~(d)~~ (e) The contract shall be approved by the managers and signed by the president,  
 91.31 secretary, and contractor.

91.32 Sec. 10. Minnesota Statutes 2006, section 103E.505, subdivision 5, is amended to read:

91.33 Subd. 5. **How contract may be awarded.** The contract may be awarded in one  
 91.34 job, in sections, or separately for labor and material and ~~must~~ may be let to the lowest

92.1 responsible bidder. Alternatively, the contract may be awarded to the vendor or contractor  
92.2 offering the best value under a request for proposals as described in section 16C.28,  
92.3 subdivision 1, paragraph (a), clause (2).

92.4 Sec. 11. Minnesota Statutes 2006, section 116A.13, subdivision 5, is amended to read:

92.5 Subd. 5. **How job may be let.** The job may be let in one job, or in sections, or  
92.6 separately for labor and material, and ~~shall~~ may be let to the lowest responsible bidder or  
92.7 bidders therefor. Alternatively, the contract may be awarded to the vendor or contractor  
92.8 offering the best value under a request for proposals as described in section 16C.28,  
92.9 subdivision 1, paragraph (a), clause (2).

92.10 Sec. 12. Minnesota Statutes 2006, section 123B.52, subdivision 1, is amended to read:

92.11 Subdivision 1. **Contracts.** A contract for work or labor, or for the purchase of  
92.12 furniture, fixtures, or other property, except books registered under the copyright laws, or  
92.13 for the construction or repair of school houses, the estimated cost or value of which shall  
92.14 exceed that specified in section 471.345, subdivision 3, must not be made by the school  
92.15 board without first advertising for bids or proposals by two weeks' published notice in the  
92.16 official newspaper. This notice must state the time and place of receiving bids and contain  
92.17 a brief description of the subject matter.

92.18 Additional publication in the official newspaper or elsewhere may be made as the  
92.19 board shall deem necessary.

92.20 After taking into consideration conformity with the specifications, terms of delivery,  
92.21 and other conditions imposed in the call for bids, every such contract for which a call for  
92.22 bids has been issued must be awarded to the lowest responsible bidder, be duly executed  
92.23 in writing, and be otherwise conditioned as required by law. The person to whom the  
92.24 contract is awarded shall give a sufficient bond to the board for its faithful performance.  
92.25 Notwithstanding section 574.26 or any other law to the contrary, on a contract limited  
92.26 to the purchase of a finished tangible product, a board may require, at its discretion, a  
92.27 performance bond of a contractor in the amount the board considers necessary. A record  
92.28 must be kept of all bids, with names of bidders and amount of bids, and with the successful  
92.29 bid indicated thereon. A bid containing an alteration or erasure of any price contained in  
92.30 the bid which is used in determining the lowest responsible bid must be rejected unless the  
92.31 alteration or erasure is corrected as provided in this section. An alteration or erasure may  
92.32 be crossed out and the correction thereof printed in ink or typewritten adjacent thereto and  
92.33 initialed in ink by the person signing the bid. In the case of identical low bids from two or  
92.34 more bidders, the board may, at its discretion, utilize negotiated procurement methods

93.1 with the tied low bidders for that particular transaction, so long as the price paid does not  
93.2 exceed the low tied bid price. In the case where only a single bid is received, the board  
93.3 may, at its discretion, negotiate a mutually agreeable contract with the bidder so long as  
93.4 the price paid does not exceed the original bid. If no satisfactory bid is received, the  
93.5 board may readvertise. Standard requirement price contracts established for supplies or  
93.6 services to be purchased by the district must be established by competitive bids. Such  
93.7 standard requirement price contracts may contain escalation clauses and may provide for a  
93.8 negotiated price increase or decrease based upon a demonstrable industrywide or regional  
93.9 increase or decrease in the vendor's costs. Either party to the contract may request that the  
93.10 other party demonstrate such increase or decrease. The term of such contracts must not  
93.11 exceed two years with an option on the part of the district to renew for an additional two  
93.12 years. Contracts for the purchase of perishable food items, except milk for school lunches  
93.13 and vocational training programs, in any amount may be made by direct negotiation  
93.14 by obtaining two or more written quotations for the purchase or sale, when possible,  
93.15 without advertising for bids or otherwise complying with the requirements of this section  
93.16 or section 471.345, subdivision 3. All quotations obtained shall be kept on file for a  
93.17 period of at least one year after receipt.

93.18 Every contract made without compliance with the provisions of this section shall be  
93.19 void. Except in the case of the destruction of buildings or injury thereto, where the public  
93.20 interest would suffer by delay, contracts for repairs may be made without advertising  
93.21 for bids.

93.22 Sec. 13. Minnesota Statutes 2006, section 123B.52, is amended by adding a  
93.23 subdivision to read:

93.24 Subd. 1b. **Best value alternative.** As an alternative to the procurement method  
93.25 described in subdivision 1, a contract for construction, building, alteration, improvement,  
93.26 or repair work may be awarded to the vendor or contractor offering the best value  
93.27 under a request for proposals as described in section 16C.28, subdivision 1, paragraph  
93.28 (a), clause (2).

93.29 Sec. 14. Minnesota Statutes 2006, section 160.17, is amended by adding a subdivision  
93.30 to read:

93.31 Subd. 2a. **Best value alternative.** As an alternative to the procurement method  
93.32 referenced in subdivision 2, counties or towns may issue a request for proposal and award  
93.33 the contract to the vendor or contractor offering the best value as described in section  
93.34 16C.28, subdivision 1, paragraph (a), clause (2).

94.1 Sec. 15. Minnesota Statutes 2006, section 160.262, is amended by adding a subdivision  
94.2 to read:

94.3 Subd. 5. **Best value alternative.** As an alternative to the procurement method  
94.4 described in subdivision 4, the commissioner may allow for the award of design-build  
94.5 contracts for the projects described in subdivision 4 to the vendor or contractor offering  
94.6 the best value under a request for proposals as described in section 16C.28, subdivision 1,  
94.7 paragraph (a), clause (2).

94.8 Sec. 16. Minnesota Statutes 2006, section 161.32, is amended by adding a subdivision  
94.9 to read:

94.10 Subd. 1f. **Best value alternative.** As an alternative to the procurement method  
94.11 described in subdivisions 1a to 1e, the commissioner may issue a request for proposals  
94.12 and award the contract to the vendor or contractor offering the best value as described in  
94.13 section 16C.28, subdivision 1, paragraph (a), clause (2).

94.14 Sec. 17. **[161.3206] BEST VALUE CONTRACTING AUTHORITY.**

94.15 Notwithstanding sections 16C.25, 161.32, and 161.321, or any other law to the  
94.16 contrary, the commissioner may solicit and award all contracts, other than design-build  
94.17 contracts governed by section 161.3412, for a project on the basis of a best value selection  
94.18 process as defined in section 16C.02, subdivision 4a. Section 16C.08 does not apply  
94.19 to this section.

94.20 Sec. 18. Minnesota Statutes 2006, section 161.3412, subdivision 1, is amended to read:

94.21 Subdivision 1. **Best value selection for design-build contracts.** Notwithstanding  
94.22 sections 16C.25, 161.32, and 161.321, or any other law to the contrary, the commissioner  
94.23 may solicit and award a design-build contract for a project on the basis of a best value  
94.24 selection process. Section 16C.08 does not apply to design-build contracts to which the  
94.25 commissioner is a party.

94.26 Sec. 19. Minnesota Statutes 2006, section 161.38, subdivision 4, is amended to read:

94.27 Subd. 4. **Effects on other law of public contract with commissioner.** Whenever  
94.28 the road authority of any city enters into an agreement with the commissioner pursuant  
94.29 to this section, and a portion of the cost is to be assessed against benefited property,  
94.30 the letting of a public contract by the commissioner for the work shall be deemed to  
94.31 comply with statutory or charter provisions requiring the city (1) to advertise for bids  
94.32 before awarding a contract for a public improvement, (2) to let the contract to the lowest

95.1 responsible bidder or to the vendor or contractor offering the best value, and (3) to require  
95.2 a performance bond to be filed by the contractor before undertaking the work. The  
95.3 contract so let by the commissioner and the performance bond required of the contractor  
95.4 by the commissioner shall be considered to be the contract and bond of the city for the  
95.5 purposes of complying with the requirements of any applicable law or charter provision,  
95.6 and the bond shall inure to the benefit of the city and operate for their protection to the  
95.7 same extent as though they were parties thereto.

95.8 Sec. 20. Minnesota Statutes 2006, section 365.37, is amended by adding a subdivision  
95.9 to read:

95.10 Subd. 2a. **Best value alternative.** As an alternative to the procurement method  
95.11 described in subdivision 2, a contract for construction, building, alteration, improvement,  
95.12 or repair work may be awarded to the vendor or contractor offering the best value  
95.13 under a request for proposals as described in section 16C.28, subdivision 1, paragraph  
95.14 (a), clause (2).

95.15 Sec. 21. Minnesota Statutes 2006, section 374.13, is amended to read:

95.16 **374.13 TO ADVERTISE FOR BIDS.**

95.17 Subdivision 1. **Bidding process.** When the plans and specifications are completed  
95.18 and approved by the city council and the county board, the commission shall, after notice  
95.19 appropriate to inform possible bidders, obtain bids or proposals for all or any portion of  
95.20 the work or materials, or both, to be done, performed, or furnished in the construction of  
95.21 the building. All bids or proposals shall be sealed by the bidders or proposers and filed  
95.22 with the commission at or before the time specified for the opening of bids or proposals.  
95.23 At the time and place specified for the opening of bids or proposals, the commission shall  
95.24 meet, open the bids or proposals, tabulate them, and award the contract or contracts to the  
95.25 responsible bidder whose bid or proposal is the most favorable to the city or county, or  
95.26 reject all bids and proposals. If all bids or proposals are rejected, the commission may,  
95.27 after similar notice, obtain more bids or proposals or may modify or change the plans and  
95.28 specifications and submit the modified plans and specifications to the city council and the  
95.29 county board for approval. When the modified or changed plans and specifications are  
95.30 satisfactory to both the city council and the county board, the plans and specifications  
95.31 shall be returned to the commission and the commission shall proceed again, after similar  
95.32 notice, to obtain bids or proposals. Any contract awarded by the commission shall be  
95.33 subject to approval by the city council and the county board.

96.1            Subd. 2. **Best value alternative.** As an alternative to the procurement method  
96.2 described in subdivision 1, the commission may issue a request for proposals and award  
96.3 the contract to the vendor or contractor offering the best value as described in section  
96.4 16C.28, subdivision 1, paragraph (a), clause (2).

96.5            Sec. 22. Minnesota Statutes 2006, section 375.21, is amended by adding a subdivision  
96.6 to read:

96.7            Subd. 1b. **Best value alternative.** As an alternative to the procurement method  
96.8 described in subdivision 1, a county board may award a contract for construction,  
96.9 building, alteration, improvement, or repair work to the vendor or contractor offering the  
96.10 best value under a request for proposals as described in section 16C.28, subdivision 1,  
96.11 paragraph (a), clause (2).

96.12            Sec. 23. Minnesota Statutes 2006, section 383C.094, is amended by adding a  
96.13 subdivision to read:

96.14            Subd. 1a. **Contracts in excess of \$500; best value alternative.** As an alternative to  
96.15 the procurement method described in subdivision 1, the contract may be awarded to the  
96.16 vendor or contractor offering the best value under a request for proposals as described in  
96.17 section 16C.28, subdivision 1, paragraph (a), clause (2).

96.18            Sec. 24. Minnesota Statutes 2006, section 412.311, is amended to read:

96.19            **412.311 CONTRACTS.**

96.20            Subdivision 1. **Lowest responsible bidder.** Except as provided in sections 471.87  
96.21 to 471.89, no member of a council shall be directly or indirectly interested in any contract  
96.22 made by the council. Whenever the amount of a contract for the purchase of merchandise,  
96.23 materials or equipment or for any kind of construction work undertaken by the city is  
96.24 estimated to exceed the amount specified by section 471.345, subdivision 3, the contract  
96.25 shall be let to the lowest responsible bidder, after notice has been published once in the  
96.26 official newspaper at least ten days in advance of the last day for the submission of bids. If  
96.27 the amount of the contract exceeds \$1,000, it shall be entered into only after compliance  
96.28 with section 471.345.

96.29            Subd. 2. **Best value alternative.** As an alternative to the procurement method  
96.30 described in subdivision 1, a contract for construction, building, alteration, improvement,  
96.31 or repair work may be awarded to the vendor or contractor offering the best value  
96.32 under a request for proposals as described in section 16C.28, subdivision 1, paragraph  
96.33 (a), clause (2).

97.1 Sec. 25. Minnesota Statutes 2006, section 429.041, is amended by adding a subdivision  
97.2 to read:

97.3 Subd. 2a. **Best value alternative.** As an alternative to the procurement method  
97.4 described in subdivision 2, the council may issue a request for proposals and award the  
97.5 contract to the vendor or contractor offering the best value as described in section 16C.28,  
97.6 subdivision 1, paragraph (a), clause (2).

97.7 Sec. 26. Minnesota Statutes 2006, section 458D.21, is amended by adding a  
97.8 subdivision to read:

97.9 Subd. 2a. **Contracts in excess of \$5,000; best value alternative.** As an alternative  
97.10 to the procurement method described in subdivision 2, the board may issue a request for  
97.11 proposals and award the contract to the vendor or contractor offering the best value as  
97.12 described in section 16C.28, subdivision 1, paragraph (a), clause (2).

97.13 Sec. 27. Minnesota Statutes 2006, section 469.015, is amended by adding a subdivision  
97.14 to read:

97.15 Subd. 1a. **Best value alternative.** As an alternative to the procurement method  
97.16 described in subdivision 1, the authority may issue a request for proposals and award the  
97.17 contract to the vendor or contractor offering the best value under a request for proposals as  
97.18 described in section 16C.28, subdivision 1, paragraph (a), clause (2).

97.19 Sec. 28. Minnesota Statutes 2006, section 469.068, subdivision 1, is amended to read:

97.20 Subdivision 1. **Contracts; bids; bonds.** All construction work and every purchase  
97.21 of equipment, supplies, or materials necessary in carrying out the purposes of sections  
97.22 469.048 to 469.068, that involve the expenditure of \$1,000 or more, shall be awarded by  
97.23 contract as provided in this subdivision or in subdivision 1a. Before receiving bids under  
97.24 sections 469.048 to 469.068, the authority shall publish, once a week for two consecutive  
97.25 weeks in the official newspaper of the port's city, a notice that bids will be received for the  
97.26 construction work, or purchase of equipment, supplies, or materials. The notice shall state  
97.27 the nature of the work, and the terms and conditions upon which the contract is to be let  
97.28 and name a time and place where the bids will be received, opened, and read publicly,  
97.29 which time shall be not less than seven days after the date of the last publication. After  
97.30 the bids have been received, opened, read publicly, and recorded, the commissioners  
97.31 shall award the contract to the lowest responsible bidder, reserving the right to reject  
97.32 any or all bids. The contract shall be executed in writing and the person to whom the  
97.33 contract is awarded shall give sufficient bond to the board for its faithful performance. If

98.1 no satisfactory bid is received, the port authority may readvertise, or, by an affirmative  
98.2 vote of two of its commissioners in the case of a three-member commission, or five of  
98.3 its members in the case of a seven-member commission, may authorize the authority  
98.4 to perform any part or parts of any construction work by day labor under conditions it  
98.5 prescribes. The commissioners may establish reasonable qualifications to determine  
98.6 the fitness and responsibility of bidders, and require bidders to meet the qualifications  
98.7 before bids are accepted. If the commissioners by a two-thirds or five-sevenths vote  
98.8 declare that an emergency exists requiring the immediate purchase of any equipment or  
98.9 material or supplies at a cost in excess of \$1,000, but not exceeding \$5,000, in amount,  
98.10 or making of emergency repairs, it shall not be necessary to advertise for bids, but the  
98.11 material, equipment, or supplies may be purchased in the open market at the lowest price  
98.12 obtainable, or the emergency repairs may be contracted for or performed without securing  
98.13 formal competitive bids. An emergency, for purposes of this section, is unforeseen  
98.14 circumstances or conditions which result in the jeopardizing of human life or property.

98.15 In all contracts involving the employment of labor, the commissioners shall stipulate  
98.16 conditions they deem reasonable, as to the hours of labor and wages and may stipulate as  
98.17 to the residence of employees to be employed by the contractors.

98.18 Bonds shall be required from contractors for any works of construction as provided  
98.19 in and subject to all the provisions of sections 574.26 to 574.31.

98.20 Sec. 29. Minnesota Statutes 2006, section 469.068, is amended by adding a subdivision  
98.21 to read:

98.22 Subd. 1a. **Contracts; best value alternative.** As an alternative to the procurement  
98.23 method described in subdivision 1, a contract may be awarded to the vendor or contractor  
98.24 offering the best value under a request for proposals as described in section 16C.28,  
98.25 subdivision 1, paragraph (a), clause (2).

98.26 Sec. 30. Minnesota Statutes 2006, section 471.345, is amended by adding a subdivision  
98.27 to read:

98.28 Subd. 3a. **Contracts over \$50,000; best value alternative.** As an alternative to the  
98.29 procurement method described in subdivision 3, municipalities may award a contract for  
98.30 construction, alteration, repair, or maintenance work to the vendor or contractor offering  
98.31 the best value under a request for proposals as described in section 16C.28, subdivision 1,  
98.32 paragraph (a), clause (2).

99.1 Sec. 31. Minnesota Statutes 2006, section 471.345, is amended by adding a subdivision  
99.2 to read:

99.3 Subd. 4a. **Contracts from \$10,000 to \$50,000; best value alternative.** As an  
99.4 alternative to the procurement method described in subdivision 4, municipalities may  
99.5 award a contract for construction, alteration, repair, or maintenance work to the vendor or  
99.6 contractor offering the best value under a request for proposals as described in section  
99.7 16C.28, subdivision 1, paragraph (a), clause (2).

99.8 Sec. 32. Minnesota Statutes 2006, section 471.345, subdivision 5, is amended to read:

99.9 Subd. 5. **Contracts less than \$10,000.** If the amount of the contract is estimated  
99.10 to be \$10,000 or less, the contract may be made either upon quotation or in the open  
99.11 market, in the discretion of the governing body. If the contract is made upon quotation  
99.12 it shall be based, so far as practicable, on at least two quotations which shall be kept on  
99.13 file for a period of at least one year after their receipt. Alternatively, municipalities may  
99.14 award a contract for construction, alteration, repair, or maintenance work to the vendor or  
99.15 contractor offering the best value under a request for proposals as described in section  
99.16 16C.28, subdivision 1, paragraph (a), clause (2).

99.17 Sec. 33. Minnesota Statutes 2006, section 473.523, is amended by adding a subdivision  
99.18 to read:

99.19 Subd. 1a. **Contracts over \$50,000; best value alternative.** As an alternative to  
99.20 the procurement method described in subdivision 1, the council may issue a request for  
99.21 proposals and award the contract to the vendor or contractor offering the best value  
99.22 under a request for proposals as described in section 16C.28, subdivision 1, paragraph  
99.23 (a), clause (2).

99.24 Sec. 34. Minnesota Statutes 2006, section 473.756, subdivision 12, is amended to read:

99.25 Subd. 12. **Contracts.** The authority may enter into a development agreement with  
99.26 the team, the county, or any other entity relating to the construction, financing, and use of  
99.27 the ballpark and related facilities and public infrastructure. The authority may contract  
99.28 for materials, supplies, and equipment in accordance with sections 471.345 and 473.754,  
99.29 except that the authority, with the consent of the county, may employ or contract with  
99.30 persons, firms, or corporations to perform one or more or all of the functions of architect,  
99.31 engineer, or construction manager with respect to all or any part of the ballpark and  
99.32 public infrastructure. Alternatively, at the request of the team and with the consent of the  
99.33 county, the authority shall authorize the team to provide for the design and construction

100.1 of the ballpark and related public infrastructure, subject to terms of Laws 2006, chapter  
100.2 257. The construction manager may enter into contracts with contractors for labor,  
100.3 materials, supplies, and equipment for the construction of the ballpark and related public  
100.4 infrastructure through the process of public bidding, except that the construction manager  
100.5 may, with the consent of the authority or the team:

100.6 (1) narrow the listing of eligible bidders to those which the construction manager  
100.7 determines to possess sufficient expertise to perform the intended functions;

100.8 (2) award contracts to the contractors that the construction manager determines  
100.9 provide the best value under a request for proposals as described in section 16C.28,  
100.10 subdivision 1, paragraph (a), clause (2), which are not required to be the lowest responsible  
100.11 bidder; and

100.12 (3) for work the construction manager determines to be critical to the completion  
100.13 schedule, award contracts on the basis of competitive proposals or perform work with  
100.14 its own forces without soliciting competitive bids if the construction manager provides  
100.15 evidence of competitive pricing.

100.16 The authority shall require that the construction manager certify, before the contract is  
100.17 signed, a fixed and stipulated construction price and completion date to the authority  
100.18 and post a performance bond in an amount at least equal to 100 percent of the certified  
100.19 price, to cover any costs which may be incurred in excess of the certified price, including  
100.20 but not limited to costs incurred by the authority or loss of revenues resulting from  
100.21 incomplete construction on the completion date. The authority may secure surety bonds  
100.22 as provided in section 574.26, securing payment of just claims in connection with all  
100.23 public work undertaken by it. Persons entitled to the protection of the bonds may enforce  
100.24 them as provided in sections 574.28 to 574.32, and shall not be entitled to a lien on any  
100.25 property of the authority under the provisions of sections 514.01 to 514.16. Contracts for  
100.26 construction and operation of the ballpark must include programs, including Youthbuild,  
100.27 to provide for participation by small local businesses and businesses owned by people of  
100.28 color, and the inclusion of women and people of color in the workforces of contractors  
100.29 and ballpark operators. The construction of the ballpark is a "project" as that term is  
100.30 defined in section 177.42, subdivision 2, and is subject to the prevailing wage law under  
100.31 sections 177.41 to 177.43.

100.32 **ARTICLE 4**  
100.33 **ELECTIONS**

100.34 Section 1. Minnesota Statutes 2006, section 200.02, subdivision 7, is amended to read:

101.1 Subd. 7. **Major political party.** (a) "Major political party" means a political party  
101.2 that maintains a party organization in the state, political division, or precinct in question  
101.3 and that has presented at least one candidate for election to the office of:

101.4 (1) governor and lieutenant governor, secretary of state, state auditor, or attorney  
101.5 general at the last preceding state general election for those offices; or

101.6 (2) presidential elector or U.S. senator at the last preceding state general election for  
101.7 presidential electors; and

101.8 whose candidate received votes in each county in that election and received votes  
101.9 from not less than five percent of the total number of individuals who voted in that election.

101.10 (b) "Major political party" also means a political party that maintains a party  
101.11 organization in the state, political subdivision, or precinct in question and that has  
101.12 presented at least 45 candidates for election to the office of state representative, 23  
101.13 candidates for election to the office of state senator, four candidates for election to  
101.14 the office of representative in Congress, and one candidate for election to each of the  
101.15 following offices: governor and lieutenant governor, attorney general, secretary of state,  
101.16 and state auditor, at the last preceding state general election for those offices.

101.17 (c) "Major political party" also means a political party that maintains a party  
101.18 organization in the state, political subdivision, or precinct in question and whose members  
101.19 present to the secretary of state ~~at any time before the close of filing for the state partisan~~  
101.20 ~~primary ballot~~ at least six weeks before the start of the filing period a petition for a place  
101.21 on the state partisan primary ballot, which petition contains signatures of a number of  
101.22 the party members equal to at least five percent of the total number of individuals who  
101.23 voted in the preceding state general election. The petition may be circulated at any time  
101.24 after January 1 and more than six weeks before the start of the filing period in the year  
101.25 the petition is submitted.

101.26 (d) A political party whose candidate receives a sufficient number of votes at a state  
101.27 general election described in paragraph (a) or a political party that presents candidates at  
101.28 an election as required by paragraph (b) becomes a major political party as of January  
101.29 1 following that election and retains its major party status for at least two state general  
101.30 elections even if the party fails to present a candidate who receives the number and  
101.31 percentage of votes required under paragraph (a) or fails to present candidates as required  
101.32 by paragraph (b) at subsequent state general elections.

101.33 (e) A major political party whose candidates fail to receive the number and  
101.34 percentage of votes required under paragraph (a) and that fails to present candidates as  
101.35 required by paragraph (b) at each of two consecutive state general elections described by

102.1 paragraph (a) or (b), respectively, loses major party status as of December 31 following  
102.2 the later of the two consecutive state general elections.

102.3 Sec. 2. Minnesota Statutes 2006, section 200.02, subdivision 23, is amended to read:

102.4 Subd. 23. **Minor political party.** (a) "Minor political party" means a political party  
102.5 that has adopted a state constitution, designated a state party chair, held a state convention  
102.6 in the last two years, filed with the secretary of state no later than December 31 following  
102.7 the most recent state general election a certification that the party has met the foregoing  
102.8 requirements, and met the requirements of paragraph (b) or (e), as applicable.

102.9 (b) To be considered a minor party in all elections statewide, the political party must  
102.10 have presented at least one candidate for election to the office of:

102.11 (1) governor and lieutenant governor, secretary of state, state auditor, or attorney  
102.12 general, at the last preceding state general election for those offices; or

102.13 (2) presidential elector or U.S. senator at the preceding state general election for  
102.14 presidential electors; and

102.15 who received votes in each county that in the aggregate equal at least one percent  
102.16 of the total number of individuals who voted in the election, or its members must have  
102.17 presented to the secretary of state ~~at any time before the close of filing for the state~~  
102.18 ~~partisan primary ballot~~ at least six weeks before the start of the filing period a nominating  
102.19 petition in a form prescribed by the secretary of state containing the signatures of party  
102.20 members in a number equal to at least one percent of the total number of individuals who  
102.21 voted in the preceding state general election. The petition may be circulated at any time  
102.22 after January 1 and more than six weeks before the start of the filing period in the year  
102.23 the petition is submitted.

102.24 (c) A political party whose candidate receives a sufficient number of votes at a  
102.25 state general election described in paragraph (b) becomes a minor political party as of  
102.26 January 1 following that election and retains its minor party status for at least two state  
102.27 general elections even if the party fails to present a candidate who receives the number  
102.28 and percentage of votes required under paragraph (b) at subsequent state general elections.

102.29 (d) A minor political party whose candidates fail to receive the number and  
102.30 percentage of votes required under paragraph (b) at each of two consecutive state general  
102.31 elections described by paragraph (b) loses minor party status as of December 31 following  
102.32 the later of the two consecutive state general elections.

102.33 (e) A minor party that qualifies to be a major party loses its status as a minor party  
102.34 at the time it becomes a major party. Votes received by the candidates of a major party  
102.35 must be counted in determining whether the party received sufficient votes to qualify as

103.1 a minor party, notwithstanding that the party does not receive sufficient votes to retain  
103.2 its major party status. To be considered a minor party in an election in a legislative  
103.3 district, the political party must have presented at least one candidate for a legislative  
103.4 office in that district who received votes from at least ten percent of the total number of  
103.5 individuals who voted for that office, or its members must have presented to the secretary  
103.6 of state a nominating petition in a form prescribed by the secretary of state containing the  
103.7 signatures of party members in a number equal to at least ten percent of the total number  
103.8 of individuals who voted in the preceding state general election for that legislative office.

103.9 Sec. 3. Minnesota Statutes 2006, section 201.016, subdivision 1a, is amended to read:

103.10 Subd. 1a. **Violations; penalty.** (a) The county auditor shall mail a violation notice  
103.11 to any voter who the county auditor can determine has voted ~~in a precinct other than the~~  
103.12 ~~precinct in~~ using an address at which the voter ~~maintains~~ does not maintain residence on  
103.13 election day. The notice must be in the form provided by the secretary of state. The  
103.14 county auditor shall also change the status of the voter in the statewide registration system  
103.15 to "challenged" and the voter shall be required to provide proof of residence to either the  
103.16 county auditor or to the election judges in the voter's precinct before voting in the next  
103.17 election. Any of the forms authorized by section 201.061 for registration at the polling  
103.18 place may be used for this purpose.

103.19 (b) A voter who votes in a precinct other than the precinct in which the voter  
103.20 maintains residence after receiving an initial violation notice as provided in this  
103.21 subdivision is guilty of a petty misdemeanor.

103.22 (c) A voter who votes in a precinct other than the precinct in which the voter  
103.23 maintains residence after having been found to have committed a petty misdemeanor  
103.24 under paragraph (b) is guilty of a misdemeanor.

103.25 (d) Reliance by the voter on inaccurate information regarding the location of the  
103.26 voter's polling place provided by the state, county, or municipality is an affirmative  
103.27 defense to a prosecution under this subdivision.

103.28 Sec. 4. Minnesota Statutes 2006, section 201.056, is amended to read:

103.29 **201.056 SIGNATURE OF REGISTERED VOTER; MARKS ALLOWED.**

103.30 An individual who is unable to write the individual's name shall be required to sign a  
103.31 registration ~~card by making the individual's mark~~ application in the manner provided by  
103.32 section 645.44, subdivision 14. If the individual registers in person and signs by making  
103.33 a mark, the clerk or election judge accepting the registration shall certify the mark by  
103.34 signing the individual's name. If the individual registers by mail and signs by making a

104.1 mark, the mark shall be certified by having a voter registered in the individual's precinct  
104.2 sign the individual's name and the voter's own name and give the voter's own address.

104.3 Sec. 5. Minnesota Statutes 2006, section 201.061, subdivision 1, is amended to read:

104.4 Subdivision 1. **Prior to election day.** At any time except during the 20 days  
104.5 immediately preceding any regularly scheduled election, an eligible voter or any  
104.6 individual who will be an eligible voter at the time of the next election may register to  
104.7 vote in the precinct in which the voter maintains residence by completing a paper voter  
104.8 registration application as described in section 201.071, subdivision 1, and submitting  
104.9 it in person or by mail to the county auditor of that county or to the Secretary of State's  
104.10 Office. If the Web site maintained by the secretary of state provides, an individual who has  
104.11 a Minnesota driver's license, identification card, or learner's permit may register online.  
104.12 A registration that is received no later than 5:00 p.m. on the 21st day preceding any  
104.13 election shall be accepted. An improperly addressed or delivered registration application  
104.14 shall be forwarded within two working days after receipt to the county auditor of the  
104.15 county where the voter maintains residence. A state or local agency or an individual that  
104.16 accepts completed voter registration applications from a voter must submit the completed  
104.17 applications to the secretary of state or the appropriate county auditor within ten business  
104.18 days after the applications are dated by the voter.

104.19 For purposes of this section, mail registration is defined as a voter registration  
104.20 application delivered to the secretary of state, county auditor, or municipal clerk by the  
104.21 United States Postal Service or a commercial carrier.

104.22 Sec. 6. Minnesota Statutes 2006, section 201.061, is amended by adding a subdivision  
104.23 to read:

104.24 Subd. 1b. **Prohibited methods of compensation; penalty.** (a) No individual  
104.25 may be compensated for the solicitation, collection, or acceptance of voter registration  
104.26 applications from voters for submission to the secretary of state, a county auditor, or other  
104.27 local election official in a manner in which payment is calculated by multiplying (1)  
104.28 either a set or variable payment rate, by (2) the number of voter registration applications  
104.29 solicited, collected, or accepted.

104.30 (b) No individual may be deprived of compensation or have compensation  
104.31 automatically reduced exclusively for failure to solicit, collect, or accept a minimum  
104.32 number of voter registration applications and no individual may receive additional  
104.33 compensation for reaching or exceeding a minimum number of voter registration  
104.34 applications.

105.1 (c) A person who violates this subdivision is guilty of a petty misdemeanor.

105.2 Sec. 7. Minnesota Statutes 2006, section 201.061, subdivision 3, is amended to read:

105.3 Subd. 3. **Election day registration.** (a) The definitions in this paragraph apply  
105.4 to this subdivision:

105.5 (1) "current utility bill" means a utility bill dated within 30 days before the election  
105.6 day or due within 30 days before or after the election;

105.7 (2) "photo identification" means identification that displays the name and photo  
105.8 of an individual and that was issued by:

105.9 (i) another state for use as a driver's license or identification card;

105.10 (ii) a Minnesota college, university, or other postsecondary educational institution or  
105.11 high school as a student identification card; or

105.12 (iii) a tribal government of a tribe recognized by the Bureau of Indian Affairs, United  
105.13 States Department of the Interior;

105.14 (3) "residential facility" means transitional housing as defined in section 256E.33,  
105.15 subdivision 1; a supervised living facility licensed by the commissioner of health under  
105.16 section 144.50, subdivision 6; a nursing home as defined in section 144A.01, subdivision  
105.17 5; a residence registered with the commissioner of health as a housing with services  
105.18 establishment as defined in section 144D.01, subdivision 4; a veterans home operated by  
105.19 the board of directors of the Minnesota Veterans Homes under chapter 198; a residence  
105.20 licensed by the commissioner of human services to provide a residential program as  
105.21 defined in section 245A.02, subdivision 14; a residential facility for persons with a  
105.22 developmental disability licensed by the commissioner of human services under section  
105.23 252.28; group residential housing as defined in section 256I.03, subdivision 3; a shelter  
105.24 for battered women as defined in section 611A.37, subdivision 4; or a supervised  
105.25 publicly or privately operated shelter or dwelling designed to provide temporary living  
105.26 accommodations for the homeless; and

105.27 (4) "utility bill" means a written or electronic bill for gas, electricity, telephone,  
105.28 wireless telephone, cable television, satellite television, solid waste, water, sewer services,  
105.29 or an itemized rent statement.

105.30 (b) An individual who is eligible to vote may register on election day by appearing  
105.31 in person at the polling place for the precinct in which the individual maintains residence,  
105.32 by completing a registration application, making an oath in the form prescribed by the  
105.33 secretary of state and providing proof of residence. An individual may prove residence for  
105.34 purposes of registering by:

106.1 (1) presenting a driver's license or Minnesota identification card issued pursuant  
106.2 to section 171.07;

106.3 (2) presenting:

106.4 (i) a photo identification; and

106.5 (ii) a current utility bill or lease, showing the individual's name and valid residential  
106.6 address in the precinct;

106.7 (3) presenting an identification card issued by the tribal government of a tribe  
106.8 recognized by the Bureau of Indian Affairs, United States Department of the Interior, that  
106.9 contains the name, address, signature, and picture of the individual;

106.10 ~~(2)~~ (4) presenting any document approved by the secretary of state as proper  
106.11 identification;

106.12 ~~(3)~~ (5) presenting one of the following:

106.13 (i) a current valid student identification card from a postsecondary educational  
106.14 institution in Minnesota, if a list of students from that institution has been prepared under  
106.15 section 135A.17 and certified to the county auditor in the manner provided in rules of  
106.16 the secretary of state; or

106.17 (ii) a current student fee statement that contains the student's valid address in the  
106.18 precinct together with a ~~picture~~ photo identification card; or

106.19 ~~(4)~~ (6)(i) having a voter who is registered to vote in the precinct, or who is an  
106.20 employee employed by and working in a residential facility in the precinct and vouching  
106.21 for a resident in the facility, sign an oath in the presence of the election judge vouching that  
106.22 the voter or employee personally knows that the individual is a resident of the precinct. A  
106.23 voter who has been vouched for on election day may not sign a proof of residence oath  
106.24 vouching for any other individual on that election day. A voter who is registered to vote  
106.25 in the precinct may sign up to 15 proof-of-residence oaths on any election day. This  
106.26 limitation does not apply to an employee of a residential facility described in this clause.

106.27 (ii) The secretary of state shall provide a form for election judges to use in recording  
106.28 the number of individuals for whom a voter signs proof-of-residence oaths on election  
106.29 day. The form must include space for the maximum number of individuals for whom a  
106.30 voter may sign proof-of-residence oaths. For each proof-of-residence oath, the form  
106.31 must include a statement that the voter is registered to vote in the precinct, personally  
106.32 knows that the individual is a resident of the precinct, and is making the statement on  
106.33 oath. The form must include a space for the voter's printed name, signature, telephone  
106.34 number, and address.

106.35 The oath required by this subdivision and Minnesota Rules, part 8200.9939, must  
106.36 be attached to the voter registration application ~~and the information on the oath must be~~

107.1 ~~recorded on the records of both the voter registering on election day and the voter who~~  
 107.2 ~~is vouching for the person's residence, and entered into the statewide voter registration~~  
 107.3 ~~system by the county auditor when the voter registration application is entered into that~~  
 107.4 ~~system.~~

107.5 ~~(b) The operator of a residential facility shall prepare a list of the names of its~~  
 107.6 ~~employees currently working in the residential facility and the address of the residential~~  
 107.7 ~~facility. The operator shall certify the list and provide it to the appropriate county auditor~~  
 107.8 ~~no less than 20 days before each election for use in election day registration:~~

107.9 ~~(c) "Residential facility" means transitional housing as defined in section 256E.33;~~  
 107.10 ~~subdivision 1; a supervised living facility licensed by the commissioner of health under~~  
 107.11 ~~section 144.50, subdivision 6; a nursing home as defined in section 144A.01, subdivision~~  
 107.12 ~~5; a residence registered with the commissioner of health as a housing with services~~  
 107.13 ~~establishment as defined in section 144D.01, subdivision 4; a veterans home operated by~~  
 107.14 ~~the board of directors of the Minnesota Veterans Homes under chapter 198; a residence~~  
 107.15 ~~licensed by the commissioner of human services to provide a residential program as~~  
 107.16 ~~defined in section 245A.02, subdivision 14; a residential facility for persons with a~~  
 107.17 ~~developmental disability licensed by the commissioner of human services under section~~  
 107.18 ~~252.28; group residential housing as defined in section 256I.03, subdivision 3; a shelter~~  
 107.19 ~~for battered women as defined in section 611A.37, subdivision 4; or a supervised~~  
 107.20 ~~publicly or privately operated shelter or dwelling designed to provide temporary living~~  
 107.21 ~~accommodations for the homeless:~~

107.22 ~~(d) For tribal band members, an individual may prove residence for purposes of~~  
 107.23 ~~registering by:~~

107.24 ~~(1) presenting an identification card issued by the tribal government of a tribe~~  
 107.25 ~~recognized by the Bureau of Indian Affairs, United States Department of the Interior, that~~  
 107.26 ~~contains the name, address, signature, and picture of the individual; or~~

107.27 ~~(2) presenting an identification card issued by the tribal government of a tribe~~  
 107.28 ~~recognized by the Bureau of Indian Affairs, United States Department of the Interior, that~~  
 107.29 ~~contains the name, signature, and picture of the individual and also presenting one of the~~  
 107.30 ~~documents listed in Minnesota Rules, part 8200.5100, subpart 2, item B.~~

107.31 ~~(c) An employee of a residential facility must prove employment with that~~  
 107.32 ~~facility by presenting a current identification card issued by the facility or other official~~  
 107.33 ~~documentation verifying the employee's current status with the facility on election day to~~  
 107.34 ~~be eligible to vouch for individuals residing in that facility.~~

107.35 ~~(e) (d) A county, school district, or municipality may require that an election judge~~  
 107.36 ~~responsible for election day registration initial each completed registration application.~~

108.1 **EFFECTIVE DATE.** This section is effective September 1, 2007.

108.2 Sec. 8. Minnesota Statutes 2006, section 201.071, subdivision 1, is amended to read:

108.3 Subdivision 1. **Form.** A voter registration application must ~~be of suitable size and~~  
108.4 ~~weight for mailing and~~ contain spaces for the following required information: voter's first  
108.5 name, middle name, and last name; voter's previous name, if any; voter's current address;  
108.6 voter's previous address, if any; voter's date of birth; voter's municipality and county of  
108.7 residence; voter's telephone number, if provided by the voter; date of registration; current  
108.8 and valid Minnesota driver's license number or Minnesota state identification number,  
108.9 or if the voter has no current and valid Minnesota driver's license or Minnesota state  
108.10 identification, and the last four digits of the voter's Social Security number; ~~and voter's~~  
108.11 ~~signature.~~ The registration application may include the voter's e-mail address, if provided  
108.12 by the voter, and the voter's interest in serving as an election judge, if indicated by the  
108.13 voter. The application must also contain the following certification of voter eligibility:

108.14 "I certify that I:

108.15 (1) will be at least 18 years old on election day;

108.16 (2) am a citizen of the United States;

108.17 (3) will have resided in Minnesota for 20 days immediately preceding election day;

108.18 (4) maintain residence at the address given on the registration form;

108.19 (5) am not under court-ordered guardianship in which the court order revokes my  
108.20 right to vote;

108.21 (6) have not been found by a court to be legally incompetent to vote;

108.22 (7) have the right to vote because, if I have been convicted of a felony, my felony  
108.23 sentence has expired (been completed) or I have been discharged from my sentence; and

108.24 (8) have read and understand the following statement: that giving false information  
108.25 is a felony punishable by not more than five years imprisonment or a fine of not more  
108.26 than \$10,000, or both."

108.27 The certification must include boxes for the voter to respond to the following  
108.28 questions:

108.29 "(1) Are you a citizen of the United States?" and

108.30 "(2) Will you be 18 years old on or before election day?"

108.31 And the instruction:

108.32 "If you checked 'no' to either of these questions, do not complete this form."

108.33 The form of the voter registration application and the certification of voter eligibility  
108.34 must be as provided in this subdivision and approved by the secretary of state. Voter  
108.35 registration forms authorized by the National Voter Registration Act must also be accepted

109.1 as valid. The federal postcard application form must also be accepted as valid if it is not  
109.2 deficient and the voter is eligible to register in Minnesota.

109.3 An individual may use a voter registration application to apply to register to vote in  
109.4 Minnesota or to change information on an existing registration.

109.5 A paper voter registration application must include space for the voter's signature  
109.6 and be of suitable size and weight for mailing.

109.7 Sec. 9. Minnesota Statutes 2006, section 201.091, is amended by adding a subdivision  
109.8 to read:

109.9 Subd. 5a. **Registration verification to registered voter.** The secretary of state may  
109.10 provide for voter registration verification to a registered voter on the secretary of state's  
109.11 Web site. An individual using the verification service must provide the individual's name,  
109.12 address, and date of birth when requesting registration verification. If the verification  
109.13 information provided completely matches an active registration record in the statewide  
109.14 registration system, the individual must be informed that the individual is a registered  
109.15 voter and provided with the individual's polling place location. If the verification  
109.16 information provided does not completely match an active registration record in the  
109.17 statewide registration system, the individual must be informed that a registration record  
109.18 at the name and address provided cannot be retrieved and advised to contact the county  
109.19 auditor or secretary of state for further information.

109.20 Sec. 10. Minnesota Statutes 2006, section 201.091, subdivision 9, is amended to read:

109.21 Subd. 9. **Restricted data.** A list provided for public inspection or purchase, for  
109.22 jury selection, or in response to a law enforcement inquiry, must not include a voter's  
109.23 date of birth or any part of a voter's Social Security number, driver's license number, ~~or~~  
109.24 identification card number, military identification card number, or passport number.

109.25 Sec. 11. Minnesota Statutes 2006, section 201.12, is amended to read:

109.26 **201.12 PROPER REGISTRATION; VERIFICATION BY MAIL;**  
109.27 **CHALLENGES.**

109.28 Subdivision 1. **Notice of registration.** To prevent fraudulent voting and to eliminate  
109.29 excess names, the county auditor may mail to any registered voter a notice stating the  
109.30 voter's name and address as they appear in the registration files. The notice shall request  
109.31 the voter to notify the county auditor if there is any mistake in the information.

109.32 Subd. 2. **Challenges Moved within state.** If the notice is returned as undeliverable  
109.33 but with a permanent forwarding address in this state, the county auditor shall notify the

110.1 auditor of the county where the voter resides. Upon receipt of the notice, the county  
 110.2 auditor shall update the voter's address in the statewide voter registration system and mail  
 110.3 to the voter the notice of registration required by section 201.121, subdivision 2. The  
 110.4 notice must advise the voter that the voter's voting address has been changed and that the  
 110.5 voter must notify the county auditor within 21 days if the new address is not what the  
 110.6 voter intended to be their permanent address.

110.7 Subd. 3. **Moved out of state.** If the notice is returned as undeliverable but with a  
 110.8 permanent forwarding address outside this state, the county auditor shall promptly mail  
 110.9 to the voter at the forwarding address a notice advising the voter that the voter's voter  
 110.10 registration in this state will be deleted unless the voter notifies the county auditor within  
 110.11 21 days that the voter intends to retain the former address as the voter's permanent address.  
 110.12 If the notice is not received by the deadline, the county auditor shall delete the registration.

110.13 Subd. 4. **Challenges.** ~~Upon return of any nonforwardable mailing from an~~  
 110.14 ~~election official, the county auditor or the auditor's staff shall ascertain the name and~~  
 110.15 ~~address of that individual. If the individual is no longer at the address recorded in the~~  
 110.16 ~~statewide registration system~~ If the notice is returned as undeliverable but with no  
 110.17 forwarding address, the county auditor shall change the registrant's status to "challenged"  
 110.18 in the statewide registration system. An individual challenged in accordance with this  
 110.19 subdivision shall comply with the provisions of section 204C.12, before being allowed to  
 110.20 vote. If a notice mailed at least 60 days after the return of the first nonforwardable mailing  
 110.21 is also returned by the postal service, the county auditor shall change the registrant's status  
 110.22 to "inactive" in the statewide registration system.

110.23 **EFFECTIVE DATE.** This section is effective August 1, 2007.

110.24 Sec. 12. Minnesota Statutes 2006, section 201.13, subdivision 3, is amended to read:

110.25 Subd. 3. **Use of change of address system.** ~~The county auditor may delete the~~  
 110.26 ~~records in the statewide registration system of voters whose change of address can be~~  
 110.27 ~~confirmed by the United States Postal Service. The secretary of state may provide the~~  
 110.28 ~~county auditors with periodic reports on voters whose change of address can be confirmed~~  
 110.29 ~~by the United States Postal Service.~~

110.30 (a) At least once each month the secretary of state shall obtain a list of individuals in  
 110.31 this state who have filed with the United States Postal Service a change of their permanent  
 110.32 address. If an individual is registered as a voter in the statewide voter registration system  
 110.33 and the change is to another address in this state, the secretary of state shall transmit  
 110.34 the registration by electronic means to the county auditor of the county where the voter  
 110.35 resides. Upon receipt of the registration, the county auditor shall update the voter's

111.1 address in the statewide voter registration system and mail to the voter the notice of  
 111.2 registration required by section 201.121, subdivision 2. The notice must advise the voter  
 111.3 that the voter's permanent address has been changed and that the voter must notify the  
 111.4 county auditor within 21 days if the new address is not what the voter intended to be the  
 111.5 voter's permanent address.

111.6 (b) If the change of permanent address is to a forwarding address outside this state,  
 111.7 the secretary of state shall notify by electronic means the auditor of the county where the  
 111.8 voter formerly resided that the voter has left the state. The county auditor shall promptly  
 111.9 mail to the voter at the forwarding address a notice advising the voter that the voter's voter  
 111.10 registration in this state will be deleted unless the voter notifies the county auditor within  
 111.11 21 days that the voter intends to retain the former address as the voter's permanent address.  
 111.12 If the notice is not received by the deadline, the county auditor shall delete the registration.

111.13 **EFFECTIVE DATE.** This section is effective April 1, 2008.

111.14 Sec. 13. Minnesota Statutes 2006, section 201.161, is amended to read:

111.15 **201.161 AUTOMATIC REGISTRATION OF DRIVER'S LICENSE,**  
 111.16 **INSTRUCTION PERMIT, AND IDENTIFICATION CARD APPLICATIONS**  
 111.17 **APPLICANTS.**

111.18 Subdivision 1. **Automatic registration.** An individual who properly completes  
 111.19 an application for a new or renewed Minnesota driver's license, instruction permit, or  
 111.20 identification card, and who is eligible to vote under section 201.014, must be registered to  
 111.21 vote as provided in this section, unless the applicant declines to be registered.

111.22 Subd. 2. **Applications.** The ~~Department~~ commissioner of public safety, in  
 111.23 consultation with the secretary of state, shall change ~~its~~ the applications for an original,  
 111.24 duplicate, or change of address driver's license, instruction permit, or identification card so  
 111.25 that the forms may also serve as voter registration applications. The forms must contain  
 111.26 spaces for all information collected by voter registration applications prescribed by the  
 111.27 secretary of state and a box for the applicant to decline to be registered to vote. ~~Applicants~~  
 111.28 ~~for driver's licenses or identification cards must be asked if they want to register to vote~~  
 111.29 ~~at the same time and that~~ If the applicant has not declined to be registered to vote, the  
 111.30 ~~commissioner shall transmit the information must be transmitted at least weekly~~ daily by  
 111.31 electronic means to the secretary of state. Pursuant to the Help America Vote Act of 2002,  
 111.32 Public Law 107-252, the computerized driver's license record containing the voter's name,  
 111.33 address, date of birth, citizenship, driver's license number or state identification number,

112.1 county, ~~town, and city~~ or town, and signature must be made available for access by the  
 112.2 secretary of state and interaction with the statewide voter registration system.

112.3 Subd. 3. **Registration.** (a) The secretary of state shall determine whether the  
 112.4 applicant is currently registered in the statewide voter registration system. For each  
 112.5 currently registered voter whose registration is not changed, the secretary of state shall  
 112.6 update the voter's registration date in the statewide voter registration system. For each  
 112.7 currently registered voter whose registration is changed, the secretary of state shall  
 112.8 transmit the registration daily by electronic means to the county auditor of the county  
 112.9 where the voter resides.

112.10 (b) If the applicant is not currently registered in the statewide voter registration  
 112.11 system, the secretary of state shall determine whether the applicant is 18 years of age or  
 112.12 older and a citizen of the United States and compare the voter registration information  
 112.13 received from the commissioner of public safety with the information on wards,  
 112.14 incompetents, and felons received from the state court administrator under sections 201.15  
 112.15 and 201.155, to determine whether the applicant is eligible to vote. If an applicant is  
 112.16 less than 18 years of age, the secretary of state shall wait until the applicant has turned  
 112.17 18 years of age to determine whether the applicant is eligible to vote. For each applicant  
 112.18 the secretary of state determines is an eligible voter, the secretary of state shall transmit  
 112.19 the registration daily by electronic means to the county auditor of the county where the  
 112.20 voter resides.

112.21 Subd. 4. **Notice.** Upon receipt of the registration, the county auditor shall mail to  
 112.22 the voter the notice of registration required by section 201.121, subdivision 2.

112.23 Subd. 5. **Effective date.** An application for registration that is dated during the 20  
 112.24 days before an election in any jurisdiction within which the voter resides is not effective  
 112.25 until the day after the election.

112.26 Sec. 14. Minnesota Statutes 2006, section 201.171, is amended to read:

112.27 **201.171 POSTING VOTING HISTORY; FAILURE TO VOTE;**  
 112.28 **REGISTRATION REMOVED.**

112.29 Within six weeks after every election, the county auditor shall post the voting  
 112.30 history for every person who voted in the election. After the close of the calendar year, the  
 112.31 secretary of state shall determine if any registrants have not voted during the preceding  
 112.32 ~~four~~ six years. The secretary of state shall perform list maintenance by changing the status  
 112.33 of those registrants to "inactive" in the statewide registration system. The list maintenance  
 112.34 performed must be conducted in a manner that ensures that the name of each registered  
 112.35 voter appears in the official list of eligible voters in the statewide registration system.

113.1 A voter must not be removed from the official list of eligible voters unless the voter is  
 113.2 not eligible or is not registered to vote. List maintenance must include procedures for  
 113.3 eliminating duplicate names from the official list of eligible voters.

113.4 The secretary of state shall also prepare a report to the county auditor containing the  
 113.5 names of all registrants whose status was changed to "inactive."

113.6 Registrants whose status was changed to "inactive" must register in the manner  
 113.7 specified in section 201.054 before voting in any primary, special primary, general, school  
 113.8 district, or special election, as required by section 201.018.

113.9 Although not counted in an election, a late or rejected absentee or mail ballot must  
 113.10 be considered a vote for the purpose of continuing registration.

113.11 Sec. 15. Minnesota Statutes 2006, section 203B.02, subdivision 1, is amended to read:

113.12 Subdivision 1. ~~Unable to go to polling place~~ **Eligibility for absentee voting.** (a)  
 113.13 Any eligible voter ~~who reasonably expects to be unable to go to the polling place on~~  
 113.14 ~~election day in the precinct where the individual maintains residence because of absence~~  
 113.15 ~~from the precinct; illness, including isolation or quarantine under sections 144.419~~  
 113.16 ~~to 144.4196 or United States Code, title 42, sections 264 to 272; disability; religious~~  
 113.17 ~~discipline; observance of a religious holiday; or service as an election judge in another~~  
 113.18 ~~precinct~~ may vote by absentee ballot as provided in sections 203B.04 to 203B.15.

113.19 ~~(b) If the governor has declared an emergency and filed the declaration with the~~  
 113.20 ~~secretary of state under section 12.31, and the declaration states that the emergency has~~  
 113.21 ~~made it difficult for voters to go to the polling place on election day, any voter in a~~  
 113.22 ~~precinct covered by the declaration may vote by absentee ballot as provided in sections~~  
 113.23 ~~203B.04 to 203B.15.~~

113.24 **EFFECTIVE DATE.** This section is effective April 1, 2008.

113.25 Sec. 16. Minnesota Statutes 2006, section 203B.04, subdivision 1, is amended to read:

113.26 Subdivision 1. **Application procedures.** Except as otherwise allowed by  
 113.27 subdivision 2, an application for absentee ballots for any election may be submitted at  
 113.28 any time not less than one day before the day of that election. The county auditor shall  
 113.29 prepare absentee ballot application forms in the format provided by the secretary of state,  
 113.30 notwithstanding rules on absentee ballot forms, and shall furnish them to any person on  
 113.31 request. By January 1 of each even-numbered year, the secretary of state shall make the  
 113.32 forms to be used available to auditors through electronic means. An application submitted  
 113.33 pursuant to this subdivision shall be in writing and shall be submitted to:

113.34 ~~(a)~~ (1) the county auditor of the county where the applicant maintains residence; or

114.1 ~~(b)~~ (2) the municipal clerk of the municipality, or school district if applicable, where  
 114.2 the applicant maintains residence.

114.3 An application shall be approved if it is timely received, signed and dated by the  
 114.4 applicant, contains the applicant's name and residence and mailing addresses, and states  
 114.5 that the applicant is eligible to vote by absentee ballot ~~for one of the reasons specified in~~  
 114.6 ~~section 203B.02~~. The application may contain a request for the voter's date of birth, which  
 114.7 must not be made available for public inspection. An application may be submitted to  
 114.8 the county auditor or municipal clerk by an electronic facsimile device. An application  
 114.9 mailed or returned in person to the county auditor or municipal clerk on behalf of a voter  
 114.10 by a person other than the voter must be deposited in the mail or returned in person to  
 114.11 the county auditor or municipal clerk within ten days after it has been dated by the voter  
 114.12 and no later than six days before the election. The absentee ballot applications or a list of  
 114.13 persons applying for an absentee ballot may not be made available for public inspection  
 114.14 until the close of voting on election day.

114.15 An application under this subdivision may contain an application under subdivision  
 114.16 5 to automatically receive an absentee ballot application.

114.17 **EFFECTIVE DATE.** This section is effective April 1, 2008.

114.18 Sec. 17. Minnesota Statutes 2006, section 203B.04, subdivision 6, is amended to read:

114.19 Subd. 6. **Ongoing absentee status; termination; rules.** (a) An eligible voter  
 114.20 may apply to a county auditor or municipal clerk for status as an ongoing absentee voter  
 114.21 ~~who reasonably expects to meet the requirements of section 203B.02, subdivision 1.~~  
 114.22 The voter may decline to receive an absentee ballot for one or more elections, provided  
 114.23 the request is received by the county auditor or municipal clerk at least five days before  
 114.24 the deadline in section 204B.35 for delivering ballots for the election to which it applies.  
 114.25 Each applicant must automatically be provided with an absentee ballot ~~application~~ for  
 114.26 each ensuing election, other than an election by mail conducted under section 204B.45,  
 114.27 or as otherwise requested by the voter, and must have the status of ongoing absentee voter  
 114.28 indicated on the voter's registration record.

114.29 (b) Ongoing absentee voter status ends on:

114.30 (1) the voter's written request;

114.31 (2) the voter's death;

114.32 (3) return of an ongoing absentee ballot as undeliverable;

114.33 (4) a change in the voter's status so that the voter is not eligible to vote under section  
 114.34 201.15 or 201.155; or

114.35 (5) placement of the voter's registration on inactive status under section 201.171.

115.1 (c) The secretary of state shall adopt rules governing procedures under this  
115.2 subdivision.

115.3 **EFFECTIVE DATE.** This section is effective April 1, 2008.

115.4 Sec. 18. Minnesota Statutes 2006, section 203B.06, subdivision 3, is amended to read:

115.5 Subd. 3. **Delivery of ballots.** (a) If an application for absentee ballots is accepted  
115.6 at a time when absentee ballots are not yet available for distribution, the county auditor,  
115.7 or municipal clerk accepting the application shall file it and as soon as absentee ballots  
115.8 are available for distribution shall mail them to the address specified in the application.  
115.9 If an application for absentee ballots is accepted when absentee ballots are available for  
115.10 distribution, the county auditor or municipal clerk accepting the application shall promptly:

115.11 (1) mail the ballots to the voter whose signature appears on the application if the  
115.12 application is submitted by mail and does not request commercial shipping under clause

115.13 (2);

115.14 (2) ship the ballots to the voter using a commercial shipper requested by the voter at  
115.15 the voter's expense;

115.16 (3) deliver the absentee ballots directly to the voter if the application is submitted in  
115.17 person; or

115.18 (4) deliver the absentee ballots in a sealed transmittal envelope to an agent who has  
115.19 been designated to bring the ballots, as provided in section 203B.11, subdivision 4, to a  
115.20 voter who is would have difficulty getting to the polls because of health reasons, or who is  
115.21 disabled, a patient in a health care facility, as provided in section 203B.11, subdivision  
115.22 4, a resident of a facility providing assisted living services governed by chapter 144G, a  
115.23 participant in a residential program for adults licensed under section 245A.02, subdivision  
115.24 14, or a resident of a shelter for battered women as defined in section 611A.37, subdivision  
115.25 4.

115.26 (b) If an application does not indicate the election for which absentee ballots are  
115.27 sought, the county auditor or municipal clerk shall mail or deliver only the ballots for  
115.28 the next election occurring after receipt of the application. Only one set of ballots may  
115.29 be mailed, shipped, or delivered to an applicant for any election, except as provided in  
115.30 section 203B.13, subdivision 2, or when a replacement ballot has been requested by the  
115.31 voter for a ballot that has been spoiled or lost in transit.

115.32 **EFFECTIVE DATE.** This section is effective August 1, 2007.

115.33 Sec. 19. Minnesota Statutes 2006, section 203B.07, subdivision 2, is amended to read:

116.1 Subd. 2. **Design of envelopes.** The return envelope shall be of sufficient size  
 116.2 to conveniently enclose and contain the ballot envelope and a voter registration ~~card~~  
 116.3 application folded along its perforations. The return envelope shall be designed to open  
 116.4 on the left-hand end. ~~Notwithstanding any rule to the contrary, the return envelope must~~  
 116.5 ~~be designed in one of the following ways:~~

116.6 ~~(1) it must be of sufficient size to contain an additional envelope that when sealed,~~  
 116.7 ~~conceals the signature, identification, and other information; or~~

116.8 ~~(2) it must provide an additional flap that when sealed, conceals the signature,~~  
 116.9 ~~identification, and other information. Election officials may open the flap or the additional~~  
 116.10 ~~envelope at any time after receiving the returned ballot to inspect the returned certificate~~  
 116.11 ~~for completeness or to ascertain other information. A certificate of eligibility to vote by~~  
 116.12 absentee ballot shall be printed on the back of the envelope. The certificate shall contain  
 116.13 a statement to be signed and sworn by the voter indicating that the voter meets all of  
 116.14 the requirements established by law for voting by absentee ballot. If the voter was not  
 116.15 previously registered, the certificate shall also contain a statement signed by a person who  
 116.16 is registered to vote in Minnesota or by a notary public or other individual authorized  
 116.17 to administer oaths stating that:

116.18 ~~(a)~~ (i) the ballots were displayed to that individual unmarked;

116.19 ~~(b)~~ (ii) the voter marked the ballots in that individual's presence without showing  
 116.20 how they were marked, or, if the voter was physically unable to mark them, that the voter  
 116.21 directed another individual to mark them; and

116.22 ~~(c) if the voter was not previously registered,~~ (iii) the voter has provided proof of  
 116.23 residence as required by section 201.061, subdivision 3.

116.24 The county auditor or municipal clerk shall affix first class postage to the return  
 116.25 envelopes.

116.26 **EFFECTIVE DATE.** This section is effective April 1, 2008.

116.27 Sec. 20. Minnesota Statutes 2006, section 203B.081, is amended to read:

116.28 **203B.081 LOCATIONS FOR ABSENTEE VOTING IN PERSON.**

116.29 An eligible voter may vote by absentee ballot during the 30 days before the election  
 116.30 in the office of the county auditor and at any other polling place designated by the county  
 116.31 auditor. The county auditor shall make such designations at least 90 days before the  
 116.32 election. At least one voting booth and at least one electronic ballot marker in each polling  
 116.33 place must be made available by the county auditor for this purpose.

117.1 Sec. 21. Minnesota Statutes 2006, section 203B.11, subdivision 4, is amended to read:

117.2 Subd. 4. **Agent delivery of ballots.** During the ~~four~~ seven days preceding an  
117.3 election and until 2:00 p.m. on election day, an eligible voter who ~~is~~ would have difficulty  
117.4 getting to the polls because of health reasons, or who is disabled, a patient of a health care  
117.5 facility, a resident of a facility providing assisted living services governed by chapter  
117.6 144G, a participant in a residential program for adults licensed under section 245A.02,  
117.7 subdivision 14, or a resident of a shelter for battered women as defined in section 611A.37,  
117.8 subdivision 4, may designate an agent to deliver the ballots to the voter from the county  
117.9 auditor or municipal clerk. A candidate at the election may not be designated as an agent.  
117.10 The voted ballots must be returned to the county auditor or municipal clerk no later than  
117.11 3:00 p.m. on election day. The voter must complete an affidavit requesting the auditor or  
117.12 clerk to provide the agent with the ballots in a sealed transmittal envelope. The affidavit  
117.13 must include a statement from the voter stating that the ballots were delivered to the voter  
117.14 by the agent in the sealed transmittal envelope. An agent may deliver ballots to no more  
117.15 than three persons in any election. The secretary of state shall provide samples of the  
117.16 affidavit and transmission envelope for use by the county auditors.

117.17 **EFFECTIVE DATE.** This section is effective August 1, 2007.

117.18 Sec. 22. Minnesota Statutes 2006, section 203B.12, subdivision 4, is amended to read:

117.19 Subd. 4. **Placement in container; opening and counting of ballots.** The ballot  
117.20 envelopes from return envelopes marked "Accepted" shall be placed by the election  
117.21 judges in a separate absentee ballot container. The container and each ballot envelope may  
117.22 be opened only after ~~the last regular mail delivery by the United States postal service~~  
117.23 noon on election day. The ballots shall then be initialed by the election judges in the  
117.24 same manner as ballots delivered by them to voters in person and shall be deposited in  
117.25 the appropriate ballot box.

117.26 If more than one ballot of any kind is enclosed in the ballot envelope, none of the  
117.27 ballots of that kind shall be counted but all ballots of that kind shall be returned in the  
117.28 manner provided by section 204C.25 for return of spoiled ballots.

117.29 Sec. 23. Minnesota Statutes 2006, section 203B.13, subdivision 1, is amended to read:

117.30 Subdivision 1. **Establishment.** The governing body of any county ~~that has~~  
117.31 ~~established a counting center as provided in section 206.85, subdivision 2,~~ any  
117.32 municipality, or any school district may by ordinance or resolution, authorize an absentee  
117.33 ballot board. The board shall consist of a sufficient number of election judges appointed as  
117.34 provided in sections 204B.19 to 204B.22.

118.1 Sec. 24. Minnesota Statutes 2006, section 203B.13, subdivision 2, is amended to read:

118.2 Subd. 2. **Duties.** The absentee ballot board may ~~do any of the following:~~

118.3 ~~(a) receive from each precinct in the municipality or school district all ballot~~  
118.4 ~~envelopes marked "Accepted" by the election judges; provided that the governing body of~~  
118.5 ~~a municipality or the school board of a school district may authorize the board to examine~~  
118.6 all return absentee ballot envelopes and receive accept or reject absentee ballots in the  
118.7 manner provided in section 203B.12;

118.8 ~~(b) open and count the absentee ballots, tabulating the vote in a manner that indicates~~  
118.9 ~~each vote of the absentee voter and the total absentee vote cast for each candidate or~~  
118.10 ~~question in each precinct; or~~

118.11 ~~(c) report the vote totals tabulated for each precinct.~~

118.12 The absentee ballot board may begin the process of examining the return envelopes  
118.13 and marking them "accepted" or "rejected" at any time during the 30 days before the  
118.14 election. If an envelope has been rejected at least five days before the election, the  
118.15 ballots in the envelope must be considered spoiled ballots and the official in charge of the  
118.16 absentee ballot board shall provide the voter with a replacement absentee ballot and return  
118.17 envelope in place of the spoiled ballot. ~~The secretary of state shall provide samples of the~~  
118.18 ~~replacement ballot and return envelope for use by the county auditor.~~

118.19 Sec. 25. Minnesota Statutes 2006, section 203B.16, subdivision 2, is amended to read:

118.20 Subd. 2. **Permanent residence outside United States.** Sections 203B.16 to  
118.21 203B.27 provide the exclusive voting procedure for United States citizens who are  
118.22 living permanently outside the territorial limits of the United States who meet all the  
118.23 qualifications of an eligible voter except residence in Minnesota, but who are authorized  
118.24 by federal law to vote in Minnesota because they maintained residence in Minnesota for  
118.25 at least 20 days immediately prior to their departure from the United States or because,  
118.26 although they have never resided in the United States, they have a parent who is eligible to  
118.27 vote in Minnesota. Individuals described in this subdivision shall be permitted to vote  
118.28 only for the offices of president, vice-president, senator in Congress, and representative in  
118.29 Congress.

118.30 **EFFECTIVE DATE.** This section is effective for elections held after April 1, 2008.

118.31 Sec. 26. Minnesota Statutes 2006, section 203B.17, subdivision 2, is amended to read:

118.32 Subd. 2. **Required information.** An application shall be accepted if it contains the  
118.33 following information stated under oath:

119.1 (a) the voter's name, birthdate, and present address of residence in Minnesota, or  
 119.2 former address of residence in Minnesota if the voter is living permanently outside the  
 119.3 United States;

119.4 (b) a statement indicating that the voter is in the military, or is the spouse or  
 119.5 dependent of an individual serving in the military, or is temporarily outside the territorial  
 119.6 limits of the United States, or is living permanently outside the territorial limits of the  
 119.7 United States and voting under federal law;

119.8 (c) a statement that the voter expects to be absent from the precinct at the time  
 119.9 of the election;

119.10 (d) the address to which absentee ballots are to be mailed;

119.11 (e) the voter's signature or the signature and relationship of the individual authorized  
 119.12 to apply on the voter's behalf; and

119.13 (f) the voter's military identification card number, passport number, or Minnesota  
 119.14 driver's license or state identification card number; if the voter does not have a ~~valid~~  
 119.15 ~~passport or identification card, the signed statement of an individual authorized to~~  
 119.16 ~~administer oaths or a commissioned or noncommissioned officer of the military not~~  
 119.17 ~~below the rank of sergeant or its equivalent, certifying that the voter or other individual~~  
 119.18 ~~requesting absentee ballots has attested to the truthfulness of the contents of the application~~  
 119.19 ~~under oath.~~

119.20 ~~The oath taken must be the standard oath prescribed by section 101(b)(7) of the~~  
 119.21 ~~Uniformed and Overseas Citizens Absentee Voting Act.~~

119.22 ~~A form for providing this information shall be prepared by each county auditor and~~  
 119.23 ~~shall be furnished to individuals who request it pursuant to this section.~~ access to any of  
 119.24 these documents, the voter may attest to the truthfulness of the contents of the application  
 119.25 under penalty of perjury.

119.26 **EFFECTIVE DATE.** This section is effective for elections held after April 1, 2008.

119.27 Sec. 27. Minnesota Statutes 2006, section 203B.21, subdivision 2, is amended to read:

119.28 Subd. 2. **Mailing of ballots; return.** Ballots and instructions for marking them,  
 119.29 ballot envelopes, and return envelopes shall be sent by first class mail to addresses within  
 119.30 the continental United States and by air mail to addresses outside the continental United  
 119.31 States, unless the voter requests to have the ballot, instructions, and certificate of voter  
 119.32 eligibility sent electronically, as provided for by section 203B.225. The ballot envelope  
 119.33 and return envelope shall be marked "Official Ballot," and shall contain sufficient postage  
 119.34 to assure proper return delivery. The return envelope shall be addressed to comply with any  
 119.35 method for return of absentee ballots as authorized under section 203B.08, subdivision 2.

120.1 **EFFECTIVE DATE.** This section is effective for elections held after April 1, 2008.

120.2 Sec. 28. Minnesota Statutes 2006, section 203B.21, subdivision 3, is amended to read:

120.3 Subd. 3. **Back of return envelope.** On the back of the return envelope an affidavit  
120.4 form shall appear with space for:

120.5 (a) the voter's address of present or former residence in Minnesota;

120.6 (b) a statement indicating the category described in section 203B.16 to which the  
120.7 voter belongs;

120.8 (c) a statement that the voter has not cast and will not cast another absentee ballot  
120.9 in the same election or elections;

120.10 (d) a statement that the voter personally marked the ballots without showing them to  
120.11 anyone, or if physically unable to mark them, that the voter directed another individual  
120.12 to mark them; and

120.13 (e) the same voter's military identification card number, passport number, or  
120.14 Minnesota driver's license or state identification card number as provided on the absentee  
120.15 ballot application; if the voter does not have a valid passport or identification card,  
120.16 ~~the signature and certification of an individual authorized to administer oaths under~~  
120.17 ~~federal law or the law of the place where the oath was administered or commissioned or~~  
120.18 ~~noncommissioned personnel of the military not below the rank of sergeant or its equivalent~~  
120.19 access to any of these documents, the voter may attest to the truthfulness of the contents of  
120.20 the application under penalty of perjury.

120.21 The affidavit shall also contain a signed and dated oath in the form required by  
120.22 section 705 of the Help America Vote Act, Public Law 107-252, which must read:

120.23 "I swear or affirm, under penalty of perjury, that:

120.24 I am a member of the uniformed services or merchant marine on active duty or  
120.25 an eligible spouse or dependent of such a member; a United States citizen temporarily  
120.26 residing outside the United States; or other United States citizen residing outside the  
120.27 United States; and I am a United States citizen, at least 18 years of age (or will be by the  
120.28 date of the election), and I am eligible to vote in the requested jurisdiction; I have not  
120.29 been convicted of a felony, or other disqualifying offense, or been adjudicated mentally  
120.30 incompetent, or, if so, my voting rights have been reinstated; and I am not registering,  
120.31 requesting a ballot, or voting in any other jurisdiction in the United States except the  
120.32 jurisdiction cited in this voting form. In voting, I have marked and sealed my ballot in  
120.33 private and have not allowed any person to observe the marking of the ballot, except for  
120.34 those authorized to assist voters under state or federal law. I have not been influenced.

120.35 My signature and date below indicate when I completed this document.

121.1 The information on this form is true, accurate, and complete to the best of my  
121.2 knowledge. I understand that a material misstatement of fact in completion of this  
121.3 document may constitute grounds for a conviction for perjury."

121.4 **EFFECTIVE DATE.** This section is effective for elections held after April 1, 2008.

121.5 Sec. 29. Minnesota Statutes 2006, section 203B.22, is amended to read:

121.6 **203B.22 MAILING BALLOTS.**

121.7 The county auditor shall mail the appropriate ballots, as promptly as possible, to an  
121.8 absent voter whose application has been recorded under section 203B.19. If the county  
121.9 auditor determines that a voter is not eligible to vote at the primary but will be eligible to  
121.10 vote at the general election, only general election ballots shall be mailed. Only one set of  
121.11 ballots shall be mailed to any applicant for any election, except that the county auditor  
121.12 may mail a replacement ballot to a voter whose ballot has been spoiled or lost in transit  
121.13 or whose mailing address has changed after the date on which the original application  
121.14 was submitted as confirmed by the county auditor. Ballots to be sent outside the United  
121.15 States shall be given priority in mailing. A county auditor may make use of any special  
121.16 service provided by the United States government for the mailing of voting materials  
121.17 under sections 203B.16 to 203B.27.

121.18 **EFFECTIVE DATE.** This section is effective for elections held after April 1, 2008.

121.19 Sec. 30. **[203B.225] TRANSMITTING AND RETURNING BALLOTS.**

121.20 **Subdivision 1. Transmitting ballot and voter certification.** Upon receipt of a  
121.21 properly completed application, the county auditor may electronically transmit to the voter  
121.22 the appropriate ballots, instructions, and affidavit form and certification of voter eligibility  
121.23 provided in section 203B.21, subdivision 3.

121.24 **Subd. 2. Returning voted ballots.** The voter must return the voted ballots and the  
121.25 certificate of voter eligibility to the county auditor in a sealed envelope. Upon receipt  
121.26 of a ballot, the county auditor must immediately compare the information provided on  
121.27 the absentee ballot application with the information provided on the certificate of voter  
121.28 eligibility. After the information on the certificate of voter eligibility has been verified,  
121.29 the certificate must be attached to the ballot secrecy envelope and placed with the other  
121.30 absentee ballots for the precinct in which the voter resides.

121.31 **Subd. 3. Rejecting transmitted ballots.** If the county auditor cannot verify that the  
121.32 ballots were returned by the same person to whom the absentee ballot application was  
121.33 transmitted, the ballots must be rejected and no votes on the ballots may be counted.

122.1 **EFFECTIVE DATE.** This section is effective for elections held after April 1, 2008.

122.2 Sec. 31. **[203B.227] WRITE-IN ABSENTEE BALLOT.**

122.3 An eligible voter who will be outside the territorial limits of the United States during  
 122.4 the 180 days prior to the state general election may use the federal write-in absentee ballot  
 122.5 to vote in any federal, state, or local election.

122.6 **EFFECTIVE DATE.** This section is effective for elections held after April 1, 2008.

122.7 Sec. 32. Minnesota Statutes 2006, section 203B.24, subdivision 1, is amended to read:

122.8 Subdivision 1. **Check of voter eligibility; proper execution of affidavit.** Upon  
 122.9 receipt of an absentee ballot returned as provided in sections 203B.16 to 203B.27, the  
 122.10 election judges shall compare the voter's name with the names appearing on their copy of  
 122.11 the application records to insure that the ballot is from a voter eligible to cast an absentee  
 122.12 ballot under sections 203B.16 to 203B.27. The election judges shall mark the return  
 122.13 envelope "Accepted" and initial or sign the return envelope below the word "Accepted" if  
 122.14 the election judges are satisfied that:

122.15 (1) the voter's name on the return envelope appears in substantially the same form as  
 122.16 on the application records provided to the election judges by the county auditor;

122.17 (2) the voter has signed the federal oath prescribed pursuant to section 705(b)(2) of  
 122.18 the Help America Vote Act, Public Law 107-252;

122.19 (3) the voter has set forth the same voter's military identification number ~~or~~, passport  
 122.20 number, ~~or, if those numbers do not appear, a person authorized to administer oaths under~~  
 122.21 ~~federal law or the law of the place where the oath was administered or a witness who is~~  
 122.22 ~~military personnel with a rank at or above the rank of sergeant or its equivalent has signed~~  
 122.23 ~~the ballot~~ Minnesota driver's license or state identification card number as submitted on  
 122.24 the application, if the voter has one of these documents; and

122.25 (4) the voter has not already voted at that election, either in person or by absentee  
 122.26 ballot.

122.27 An absentee ballot case pursuant to sections 203B.16 to 203B.27 may only be  
 122.28 rejected for the lack of one of clauses (1) to (4). In particular, failure to place the ballot  
 122.29 within the security envelope before placing it in the outer white envelope is not a reason to  
 122.30 reject an absentee ballot.

122.31 Election judges must note the reason for rejection on the back of the envelope in the  
 122.32 space provided for that purpose.

122.33 Failure to return unused ballots shall not invalidate a marked ballot, but a ballot  
 122.34 shall not be counted if the affidavit on the return envelope is not properly executed. In

123.1 all other respects the provisions of the Minnesota Election Law governing deposit and  
123.2 counting of ballots shall apply.

123.3 **EFFECTIVE DATE.** This section is effective for elections held after April 1, 2008.

123.4 Sec. 33. **[203B.28] EMERGENCY POWERS.**

123.5 (a) If the governor has declared an emergency and filed the declaration with the  
123.6 secretary of state under section 12.31, or if a natural disaster or armed conflict involving  
123.7 the United States Armed Forces, or mobilization of those forces, including National Guard  
123.8 and reserve components of this state, makes substantial compliance with the Uniformed  
123.9 and Overseas Citizens Absentee Voting Act impossible or unreasonable, the secretary of  
123.10 state may prescribe, by emergency orders, special procedures or requirements necessary to  
123.11 facilitate absentee voting by those citizens directly affected who otherwise are eligible  
123.12 to vote in this state.

123.13 (b) The secretary of state shall adopt rules describing the emergency powers and the  
123.14 situations in which the powers must be exercised.

123.15 **EFFECTIVE DATE.** Paragraph (a) is effective for elections held after April 1,  
123.16 2008. Paragraph (b) is effective the day following final enactment.

123.17 Sec. 34. Minnesota Statutes 2006, section 204B.06, subdivision 1, is amended to read:

123.18 Subdivision 1. **Form of affidavit.** An affidavit of candidacy shall state the name of  
123.19 the office sought and, except as provided in subdivision 4, shall state that the candidate:

123.20 (1) is an eligible voter;

123.21 (2) has no other affidavit on file as a candidate for any office at the same primary  
123.22 or next ensuing general election, except that a candidate for soil and water conservation  
123.23 district supervisor in a district not located in whole or in part in Anoka, Hennepin,  
123.24 Ramsey, or Washington County, may also have on file an affidavit of candidacy for  
123.25 mayor or council member of a statutory or home rule charter city of not more than 2,500  
123.26 population contained in whole or in part in the soil and water conservation district or for  
123.27 town supervisor in a town of not more than 2,500 population contained in whole or in part  
123.28 in the soil and water conservation district; and

123.29 (3) is, or will be on assuming the office, 21 years of age or more, and will have  
123.30 maintained residence in the district from which the candidate seeks election for 30 days  
123.31 before the general election.

124.1 An affidavit of candidacy must include a statement that the candidate's name as  
124.2 written on the affidavit for ballot designation is the candidate's true name or the name by  
124.3 which the candidate is commonly and generally known in the community.

124.4 An affidavit of candidacy for partisan office shall also state the name of the  
124.5 candidate's political party or political principle, stated in three words or less. Except as  
124.6 provided in section 204B.09, subdivision 1a, the affidavit of candidacy must include an  
124.7 original signature of the candidate.

124.8 Sec. 35. Minnesota Statutes 2006, section 204B.09, subdivision 1, is amended to read:

124.9 Subdivision 1. **Candidates in state and county general elections.** (a) Except as  
124.10 otherwise provided by this subdivision, affidavits of candidacy and nominating petitions  
124.11 for county, state, and federal offices filled at the state general election shall be filed not  
124.12 more than 70 days nor less than 56 days before the state primary. The affidavit may  
124.13 be prepared and signed at any time between 60 days before the filing period opens and  
124.14 the last day of the filing period.

124.15 (b) Notwithstanding other law to the contrary, the affidavit of candidacy must be  
124.16 signed in the presence of a notarial officer or an individual authorized to administer oaths  
124.17 under section 358.10.

124.18 (c) This provision does not apply to candidates for presidential elector nominated  
124.19 by major political parties. Major party candidates for presidential elector are certified  
124.20 under section 208.03. Other candidates for presidential electors may file petitions on or  
124.21 before the state primary day pursuant to section 204B.07, but no earlier than 70 days  
124.22 before the state primary. Nominating petitions to fill vacancies in nominations shall be  
124.23 filed as provided in section 204B.13. No affidavit or petition shall be accepted later than  
124.24 5:00 p.m. on the last day for filing.

124.25 (d) Affidavits and petitions for county offices ~~to be voted on in only one county shall~~  
124.26 must be filed with the county auditor of that county. Affidavits and petitions for federal  
124.27 offices ~~to be voted on in more than one county shall~~ must be filed with the secretary of  
124.28 state. Affidavits and petitions for state offices must be filed with the secretary of state or  
124.29 with the county auditor of the county in which the candidate resides.

124.30 Sec. 36. Minnesota Statutes 2006, section 204B.09, subdivision 1a, is amended to read:

124.31 Subd. 1a. **Absent candidates.** (a) A candidate for special district, county, state,  
124.32 or federal office who will be absent from the state during the filing period may submit  
124.33 a properly executed affidavit of candidacy, the appropriate filing fee, and any necessary  
124.34 petitions in person to the filing officer. The candidate shall state in writing the reason for

125.1 being unable to submit the affidavit during the filing period. The affidavit, filing fee,  
125.2 and petitions must be submitted to the filing officer during the seven days immediately  
125.3 preceding the candidate's absence from the state. Nominating petitions may be signed  
125.4 during the 14 days immediately preceding the date when the affidavit of candidacy is filed.

125.5 (b) In extraordinary circumstances beyond the candidate's control that prevent  
125.6 the candidate from filing an affidavit of candidacy authenticated by the candidate's  
125.7 handwritten or other signature meeting the requirements of section 645.44, subdivision 14,  
125.8 the affidavit of candidacy may be filed electronically with the secretary of state along with  
125.9 a written statement of the extraordinary circumstances. The affidavit and statement may be  
125.10 authenticated either by the electronic facsimile signature of the candidate, by an electronic  
125.11 signature consisting of a password assigned by the secretary of state, or by another form of  
125.12 electronic signature approved by the secretary of state. The secretary of state may adopt  
125.13 rules governing the electronic filing of an affidavit of candidacy under this paragraph.

125.14 Sec. 37. Minnesota Statutes 2006, section 204B.09, subdivision 3, is amended to read:

125.15 Subd. 3. **Write-in candidates.** (a) A candidate for county, state, or federal office  
125.16 who wants write-in votes for the candidate to be counted must file a written request with  
125.17 the filing office for the office sought no later than the ~~fifth~~ seventh day before the general  
125.18 election. The filing officer shall provide copies of the form to make the request.

125.19 (b) A candidate for president of the United States who files a request under this  
125.20 subdivision must include the name of a candidate for vice-president of the United States.  
125.21 The request must also include the name of at least one candidate for presidential elector.  
125.22 The total number of names of candidates for presidential elector on the request may not  
125.23 exceed the total number of electoral votes to be cast by Minnesota in the presidential  
125.24 election.

125.25 (c) A candidate for governor who files a request under this subdivision must include  
125.26 the name of a candidate for lieutenant governor.

125.27 Sec. 38. Minnesota Statutes 2006, section 204B.11, subdivision 2, is amended to read:

125.28 Subd. 2. **Petition in place of filing fee.** At the time of filing an affidavit of  
125.29 candidacy, a candidate may present a petition in place of the filing fee. The petition may be  
125.30 circulated from the date of precinct caucuses to the end of the period for filing affidavits of  
125.31 candidacy. The petition may be signed by any individual eligible to vote for the candidate.  
125.32 A nominating petition filed pursuant to section 204B.07 or 204B.13, subdivision 4, is  
125.33 effective as a petition in place of a filing fee if the nominating petition includes a prominent  
125.34 statement informing the signers of the petition that it will be used for that purpose.

126.1 The number of signatures on a petition in place of a filing fee shall be as follows:

126.2 (a) for a state office voted on statewide, or for president of the United States, or  
126.3 United States senator, 2,000;

126.4 (b) for a congressional office, 1,000;

126.5 (c) for a county or legislative office, or for the office of district judge, 500; and

126.6 (d) for any other office which requires a filing fee as prescribed by law, municipal  
126.7 charter, or ordinance, the lesser of 500 signatures or five percent of the total number of  
126.8 votes cast in the municipality, ward, or other election district at the preceding general  
126.9 election at which that office was on the ballot.

126.10 An official with whom petitions are filed shall make sample forms for petitions in  
126.11 place of filing fees available upon request.

126.12 Sec. 39. Minnesota Statutes 2006, section 204B.16, subdivision 1, is amended to read:

126.13 Subdivision 1. **Authority; location.** The governing body of each municipality and  
126.14 of each county with precincts in unorganized territory shall designate by ordinance or  
126.15 resolution a polling place for each election precinct. Polling places must be designated  
126.16 and ballots must be distributed so that no one is required to go to more than one polling  
126.17 place to vote in a school district and municipal election held on the same day. The polling  
126.18 place for a precinct in a city or in a school district located in whole or in part in the  
126.19 metropolitan area defined by section 200.02, subdivision 24, shall be located within the  
126.20 boundaries of the precinct or within ~~3,000 feet~~ one mile of one of those boundaries unless  
126.21 a single polling place is designated for a city pursuant to section 204B.14, subdivision  
126.22 2, or a school district pursuant to section 205A.11. The polling place for a precinct in  
126.23 unorganized territory may be located outside the precinct at a place which is convenient to  
126.24 the voters of the precinct. If no suitable place is available within a town or within a school  
126.25 district located outside the metropolitan area defined by section 200.02, subdivision 24,  
126.26 then the polling place for a town or school district may be located outside the town or  
126.27 school district within five miles of one of the boundaries of the town or school district.

126.28 Sec. 40. Minnesota Statutes 2006, section 204B.21, subdivision 2, is amended to read:

126.29 Subd. 2. **Appointing authority; powers and duties.** Election judges for precincts  
126.30 in a municipality shall be appointed by the governing body of the municipality. Election  
126.31 judges for precincts in unorganized territory and for performing election-related duties  
126.32 assigned by the county auditor shall be appointed by the county board. Election judges for  
126.33 a precinct composed of two or more municipalities must be appointed by the governing  
126.34 body of the municipality or municipalities responsible for appointing election judges as

127.1 provided in the agreement to combine for election purposes. Appointments ~~shall~~ may be  
 127.2 made from lists furnished pursuant to subdivision 1 subject to the eligibility requirements  
 127.3 and other qualifications established or authorized under section 204B.19. At least two  
 127.4 election judges in each precinct must be affiliated with different major political parties. If  
 127.5 no lists have been furnished or if additional election judges are required ~~after all listed~~  
 127.6 ~~names have been exhausted~~, the appointing authority may appoint ~~any other individual to~~  
 127.7 ~~serve as an election judge subject to the same requirements and qualifications~~ individuals  
 127.8 who meet the qualifications to serve as an election judge, including persons who are not  
 127.9 affiliated with a major political party. The appointments shall be made at least 25 days  
 127.10 before the election at which the election judges will serve.

127.11 Sec. 41. Minnesota Statutes 2006, section 204B.21, is amended by adding a  
 127.12 subdivision to read:

127.13 Subd. 2a. **Town elections.** The provisions of this section and sections 204B.19,  
 127.14 subdivision 5; 204C.15; 204C.19; 206.83; and 206.86, subdivision 2, relating to party  
 127.15 balance in the appointment of judges and to duties to be performed by judges of different  
 127.16 major political parties do not apply to town elections not held in conjunction with a  
 127.17 statewide election.

127.18 Sec. 42. **[204B.445] VOTER COMPLAINT AND RESOLUTION PROCESS.**

127.19 Subdivision 1. **Scope.** An eligible voter may file a complaint to seek the resolution  
 127.20 of any of the following conditions that have occurred or are about to occur:

127.21 (1) voter records in the statewide registration system are not maintained by the  
 127.22 secretary of state or a county auditor in the manner provided in chapter 201;

127.23 (2) voters are unable to register to vote in the manner provided by section 201.061;

127.24 (3) a voting system, including an electronic ballot marker, meeting the requirements  
 127.25 of section 206.80 is not available for use by voters either casting an absentee ballot in  
 127.26 person at the locations designated by the county auditor or local election official, or for  
 127.27 voting at any polling place on election day; or

127.28 (4) the secretary of state, county auditor, or local election official has failed, is  
 127.29 failing, or is about to fail to carry out a duty required by Title III of the Help America  
 127.30 Vote Act of 2002.

127.31 A complaint against a municipal or school district clerk must be filed with the county  
 127.32 auditor of the county in which the action has occurred or is about to occur. A complaint  
 127.33 against a county auditor must be filed with the secretary of state. A complaint against the  
 127.34 secretary of state must be filed with the Office of Administrative Hearings. The secretary

128.1 of state shall provide a standard form for a complaint under this section. The form must  
128.2 provide space for the complainant to specify the legal basis for the complaint. The  
128.3 proceedings authorized by this section are not subject to the requirements of chapter 14.

128.4 Subd. 2. **Notice of complaint.** The official with whom the complaint is filed must,  
128.5 within seven days after the complaint was filed, provide written notice of the complaint,  
128.6 including a copy of the complaint, to the official against whom the complaint has been  
128.7 made.

128.8 Subd. 3. **Response.** Within 14 days after the notice of complaint is received, the  
128.9 official complained against must respond in writing to the complainant and state the  
128.10 manner in which the respondent proposes to resolve the complaint.

128.11 Subd. 4. **Hearing.** If the complainant believes the response does not resolve the  
128.12 complaint, the complainant may file, with the official with whom the complaint was filed,  
128.13 a request for a hearing. The request must state the objection to the response and propose  
128.14 to resolve the complaint in a way that is consistent with the Minnesota Election Law. If  
128.15 the complainant makes a request for hearing, a hearing must take place. The official with  
128.16 whom the complaint was filed must rule on the complaint within 14 days after the hearing.

128.17 Subd. 5. **Timeline.** A ruling on a complaint must be made no more than 90 days  
128.18 after the complaint is filed. If the official with whom the complaint was filed fails to  
128.19 make that ruling within 90 days after the complaint was filed, that official must provide  
128.20 alternative dispute resolution for the disposition of the complaint. The alternative dispute  
128.21 resolution process must be completed within 60 days of its commencement.

128.22 Subd. 6. **Appeal.** No later than 30 days after the ruling, the complainant may appeal  
128.23 the ruling. If the complaint was filed against a municipal clerk, school district clerk, or  
128.24 county auditor, the appeal must be filed with the secretary of state. If the complaint was  
128.25 filed against the secretary of state, the appeal must be filed with the Ramsey County  
128.26 District Court. The appeal must be heard within 14 days. Upon hearing the appeal, the  
128.27 secretary of state or district court may affirm, reverse, or modify the ruling and give  
128.28 appropriate instructions, as needed, to the secretary of state, county auditor, or local  
128.29 election official to resolve the complaint.

128.30 Subd. 7. **Remedies; notice.** If the official rules that there has been a violation of  
128.31 Title III of the Help America Vote Act of 2002, the official must provide an appropriate  
128.32 remedy. If the official rules that there has not been a violation, the complaint must be  
128.33 dismissed and the results of the process published by the official.

128.34 **EFFECTIVE DATE.** This section is effective January 1, 2008.

128.35 Sec. 43. Minnesota Statutes 2006, section 204B.45, subdivision 2, is amended to read:

129.1 Subd. 2. **Procedure.** Notice of the election and the special mail procedure must be  
129.2 given at least six weeks prior to the election. ~~No earlier~~ Not more than 20 30 days or nor  
129.3 later than 14 days prior to the election, the auditor shall mail ballots by nonforwardable  
129.4 mail to all voters registered in the town or unorganized territory. No later than 14 days  
129.5 before the election, the auditor must make a subsequent mailing of ballots to those voters  
129.6 who register to vote after the initial mailing but before the 20th day before the election.  
129.7 Eligible voters not registered at the time the ballots are mailed may apply for ballots as  
129.8 provided in chapter 203B. Ballot return envelopes, with return postage provided, must be  
129.9 preaddressed to the auditor or clerk and the voter may return the ballot by mail or in person  
129.10 to the office of the auditor or clerk. The auditor or clerk may appoint election judges to  
129.11 examine the return envelopes and mark them "accepted" or "rejected" during the 30 days  
129.12 before the election. If an envelope has been rejected at least five days before the election,  
129.13 the ballots in the envelope must be considered spoiled ballots and the auditor or clerk shall  
129.14 provide the voter with a replacement ballot and return envelope in place of the spoiled  
129.15 ballot. The costs of the mailing shall be paid by the election jurisdiction in which the voter  
129.16 resides. Any ballot received by 8:00 p.m. on the day of the election must be counted.

129.17 Sec. 44. Minnesota Statutes 2006, section 204C.06, subdivision 1, is amended to read:

129.18 Subdivision 1. **Lingering near polling place.** An individual shall be allowed to go  
129.19 to and from the polling place for the purpose of voting without unlawful interference. No  
129.20 one except an election official or an individual who is waiting to register or to vote shall  
129.21 stand within 100 feet of the ~~entrance to a polling place. The entrance to a polling place~~  
129.22 ~~is the doorway or point of entry leading into the room or area where voting is occurring~~  
129.23 building in which a polling place is located.

129.24 Sec. 45. Minnesota Statutes 2006, section 204C.07, subdivision 3a, is amended to read:

129.25 Subd. 3a. **Residence requirement.** A challenger must be a resident of this state.  
129.26 Appointed challengers seeking admission to a polling place to serve in that capacity must  
129.27 prove their status as a resident of this state by presenting one of the documents listed in  
129.28 section 201.061, subdivision 3, paragraph (b), clauses (1) to (4). Challengers need not  
129.29 prove residence in the precinct in which they seek to act as a challenger.

129.30 **EFFECTIVE DATE.** This section is effective September 1, 2007.

129.31 Sec. 46. Minnesota Statutes 2006, section 204C.07, is amended by adding a  
129.32 subdivision to read:

130.1 Subd. 3b. Oath to obey the law. A challenger must state under oath that the  
130.2 challenger understands and will abide by the laws and rules governing challengers as  
130.3 described in this section and in section 204C.12 and governing challenges to voters as  
130.4 described in section 204C.12.

130.5 **EFFECTIVE DATE.** This section is effective September 1, 2007.

130.6 Sec. 47. Minnesota Statutes 2006, section 205.10, is amended by adding a subdivision  
130.7 to read:

130.8 Subd. 6. Cancellation. A special election ordered by the governing body of the  
130.9 municipality on its own motion under subdivision 1 may be canceled by motion of the  
130.10 governing body, but not less than 46 days before the election.

130.11 Sec. 48. Minnesota Statutes 2006, section 205.13, is amended by adding a subdivision  
130.12 to read:

130.13 Subd. 7. Write-in candidates. A candidate for a city office who wants write-in  
130.14 votes for the candidate to be counted must file a written request with the filing officer for  
130.15 the office sought no later than the seventh day before the general election. The filing  
130.16 officer must provide copies of the form to make the request.

130.17 Sec. 49. Minnesota Statutes 2006, section 205.16, subdivision 3, is amended to read:

130.18 Subd. 3. Sample ballot, posting. For every municipal election, the municipal clerk  
130.19 shall at least ~~four days~~ two weeks before the election ~~post~~ prepare a sample ballot for each  
130.20 precinct in the municipality, make them available for public inspection in the clerk's office  
130.21 ~~for public inspection~~, and post a sample ballot in each polling place on election day.

130.22 Sec. 50. Minnesota Statutes 2006, section 205.16, subdivision 4, is amended to read:

130.23 Subd. 4. Notice to auditor. At least 53 days prior to every municipal election, the  
130.24 municipal clerk shall provide a written notice to the county auditor, including the date of  
130.25 the election, the offices to be voted on at the election, and the title and language for each  
130.26 ballot question to be voted on at the election. Not less than 46 days before the election, the  
130.27 municipal clerk must provide written notice to the county auditor of any special election  
130.28 canceled under section 205.10, subdivision 6.

130.29 Sec. 51. Minnesota Statutes 2006, section 205A.05, is amended by adding a  
130.30 subdivision to read:

131.1            Subd. 3. **Cancellation.** A special election ordered by the school board on its own  
 131.2 motion under subdivision 1 may be canceled by motion of the school board, but not less  
 131.3 than 46 days before the election.

131.4            Sec. 52. Minnesota Statutes 2006, section 205A.07, subdivision 3, is amended to read:

131.5            Subd. 3. **Notice to auditor.** At least 53 days prior to every school district election,  
 131.6 the school district clerk shall provide a written notice to the county auditor of each county  
 131.7 in which the school district is located. The notice must include the date of the election, the  
 131.8 offices to be voted on at the election, and the title and language for each ballot question to  
 131.9 be voted on at the election. For the purposes of meeting the timelines of this section, in  
 131.10 a bond election, a notice, including a proposed question, may be provided to the county  
 131.11 auditor prior to receipt of a review and comment from the commissioner of education and  
 131.12 prior to actual initiation of the election. Not less than 46 days before the election, the  
 131.13 school district clerk must provide written notice to the county auditor of any special  
 131.14 election canceled under section 205A.05, subdivision 3.

131.15            Sec. 53. Minnesota Statutes 2006, section 205A.07, subdivision 3a, is amended to read:

131.16            Subd. 3a. **Notice to commissioner of education.** At least 49 days prior to every  
 131.17 school district election, under section 123B.62, 123B.63, 126C.17, 126C.69, or 475.58,  
 131.18 the school district clerk shall provide a written notice to the commissioner of education.  
 131.19 The notice must include the date of the election and the title and language for each ballot  
 131.20 question to be voted on at the election. Not less than 46 days before the election, the  
 131.21 school district clerk must provide a written notice to the commissioner of education of  
 131.22 any special election canceled under section 205A.05, subdivision 3. The certified vote  
 131.23 totals for each ballot question shall be provided in a written notice to the commissioner  
 131.24 in a timely manner.

131.25            Sec. 54. Minnesota Statutes 2006, section 205A.10, subdivision 2, is amended to read:

131.26            Subd. 2. **Election, conduct.** A school district election must be by secret ballot and  
 131.27 must be held and the returns made in the manner provided for the state general election, as  
 131.28 far as practicable. The vote totals from an absentee ballot board established pursuant to  
 131.29 section 203B.13 may be tabulated and reported by the school district as a whole rather  
 131.30 than by precinct. For school district elections not held in conjunction with a statewide  
 131.31 election, the school board shall appoint election judges as provided in section 204B.21,  
 131.32 subdivision 2. The provisions of sections 204B.19, subdivision 5; 204B.21, subdivision 2;  
 131.33 204C.15; 204C.19; ~~206.64, subdivision 2;~~ 206.83; and 206.86, subdivision 2, relating to

132.1 party balance in appointment of judges and to duties to be performed by judges of different  
132.2 major political parties do not apply to school district elections not held in conjunction  
132.3 with a statewide election.

132.4 Sec. 55. Minnesota Statutes 2006, section 206.57, subdivision 5, is amended to read:

132.5 Subd. 5. **Voting system for disabled voters.** In federal and state elections held after  
132.6 December 31, 2005, ~~and in county, municipal city, and school district elections held after~~  
132.7 ~~December 31, 2007, and in township elections held after December 31, 2009,~~ the voting  
132.8 method used in each polling place must include a voting system that is accessible for  
132.9 individuals with disabilities, including nonvisual accessibility for the blind and visually  
132.10 impaired in a manner that provides the same opportunity for access and participation,  
132.11 including privacy and independence, as for other voters.

132.12 Sec. 56. Minnesota Statutes 2006, section 206.89, subdivision 1, is amended to read:

132.13 Subdivision 1. **Definition.** For purposes of this section "postelection review official"  
132.14 means the ~~election administration official who is responsible for the conduct of elections~~  
132.15 ~~in a precinct selected for review under this section.~~ county auditor, unless the county  
132.16 auditor designates the municipal clerk as the "postelection review official" within 24 hours  
132.17 after the canvass of the state general election.

132.18 Sec. 57. Minnesota Statutes 2006, section 206.89, subdivision 5, is amended to read:

132.19 Subd. 5. **Additional review.** (a) If the postelection review in one of the reviewed  
132.20 precincts reveals a difference greater than one-half of one percent, or greater than two  
132.21 votes in a precinct where 400 or fewer voters cast ballots, the postelection review official  
132.22 must, within two days, conduct an additional review of the races indicated in subdivision 3  
132.23 in at least three precincts in the same jurisdiction where the discrepancy was discovered. If  
132.24 all precincts in that jurisdiction have been reviewed, the county auditor must immediately  
132.25 publicly select by lot at least three additional precincts for review. The postelection review  
132.26 official must complete the additional review within two days after the precincts are  
132.27 selected and report the results immediately to the county auditor. If the second review in  
132.28 any of the reviewed precincts also indicates a difference in the vote totals compiled by the  
132.29 voting system that is greater than one-half of one percent from the result indicated by the  
132.30 postelection review, or greater than two votes in a precinct where 400 or fewer voters cast  
132.31 ballots, the county auditor must conduct a review of the ballots from all the remaining  
132.32 precincts in the county for the races indicated in subdivision 3. This review must be  
132.33 completed no later than six weeks after the state general election.

133.1 (b) If the results from the countywide reviews from one or more counties comprising  
 133.2 in the aggregate more than ten percent of the total number of persons voting in the election  
 133.3 clearly indicate that an error in vote counting has occurred, the postelection review official  
 133.4 must conduct a manual recount of all the ballots in the district for the affected office. The  
 133.5 recount must be completed and the results reported to the appropriate canvassing board no  
 133.6 later than ten weeks after the state general election.

133.7 Sec. 58. Minnesota Statutes 2006, section 211A.02, subdivision 2, is amended to read:

133.8 Subd. 2. **Information required.** The report to be filed by a candidate or committee  
 133.9 must include:

133.10 (1) the name of the candidate or ballot question;

133.11 (2) the printed name and, address, telephone number, signature, and e-mail address,  
 133.12 if available, of the person responsible for filing the report;

133.13 (3) the total amount of receipts and expenditures for the period from the last previous  
 133.14 report to five days before the current report is due;

133.15 (4) the amount, date, and purpose for each expenditure; and

133.16 (5) the name, address, and employer, or occupation if self-employed, of any  
 133.17 individual or committee that during the year has made one or more contributions that in the  
 133.18 aggregate are equal to or greater than \$100, and the amount and date of each contribution.

133.19 The filing officer must restrict public access to the address of any individual who has made  
 133.20 a contribution equal to or greater than \$100 and who has filed with the filing officer a  
 133.21 written statement signed by the individual that withholding the individual's address from  
 133.22 the financial report is required for the safety of the individual or the individual's family.

133.23 Sec. 59. Minnesota Statutes 2006, section 211A.05, subdivision 1, is amended to read:

133.24 Subdivision 1. **Penalty.** A candidate who intentionally fails to file a report required  
 133.25 by section 211A.02 or a certification required by this section is guilty of a misdemeanor.

133.26 The treasurer of a committee formed to promote or defeat a ballot question who

133.27 intentionally fails to file a report required by section 211A.02 or a certification required  
 133.28 by this section is guilty of a misdemeanor. Each candidate or treasurer of a committee

133.29 formed to promote or defeat a ballot question shall certify to the filing officer that all

133.30 reports required by section 211A.02 have been submitted to the filing officer or that the

133.31 candidate or committee has not received contributions or made disbursements exceeding

133.32 \$750 in the calendar year. The certification shall be submitted to the filing officer no

133.33 later than seven days after the general or special election. The secretary of state shall

133.34 prepare blanks for this certification. An officer who issues a certificate of election to a

134.1 candidate who has not certified that all reports required by section 211A.02 have been  
134.2 filed is guilty of a misdemeanor.

134.3 Sec. 60. Minnesota Statutes 2006, section 211B.03, is amended to read:

134.4 **211B.03 USE OF THE TERM REELECT.**

134.5 (a) A person or candidate may not use the term "reelect" in a campaign for elective  
134.6 office unless the candidate is the incumbent of that office. If the incumbent is seated in  
134.7 that office but was not elected to the office in a general or special election, the incumbent  
134.8 may not use the term "reelect."

134.9 (b) In the event of redistricting, a person or candidate may not, ~~in the event of~~  
134.10 ~~redistricting,~~ use the term "reelect" in a campaign for elective office unless the candidate is  
134.11 the incumbent of that office and the office represents any part of the new district.

134.12 (c) For purposes of this section, "incumbent" means the individual currently seated  
134.13 in the office for which the election will be held, as of the last day of filing as a candidate  
134.14 for election to that office.

134.15 Sec. 61. Minnesota Statutes 2006, section 211B.11, subdivision 1, is amended to read:

134.16 Subdivision 1. **Soliciting near polling places.** A person may not display campaign  
134.17 material, post signs, ask, solicit, or in any manner try to induce or persuade a voter within  
134.18 a polling place or within 100 feet of the building in which a polling place is ~~situated, or~~  
134.19 ~~anywhere on the public property on which a polling place is situated~~ located, on primary  
134.20 or election day to vote for or refrain from voting for a candidate or ballot question. A  
134.21 person may not provide political badges, political buttons, or other political insignia to be  
134.22 worn at or about the polling place on the day of a primary or election. A political badge,  
134.23 political button, or other political insignia may not be worn at or about the polling place on  
134.24 primary or election day. This section applies to areas established by the county auditor or  
134.25 municipal clerk for absentee voting as provided in chapter 203B.

134.26 The secretary of state, county auditor, municipal clerk, or school district clerk may  
134.27 provide stickers which contain the words "I VOTED" and nothing more. Election judges  
134.28 may offer a sticker of this type to each voter who has signed the polling place roster.

134.29 Sec. 62. Minnesota Statutes 2006, section 325L.03, is amended to read:

134.30 **325L.03 SCOPE.**

134.31 (a) Except as otherwise provided in paragraphs (b) and (e), this chapter applies to  
134.32 electronic records and electronic signatures relating to a transaction.

134.33 (b) This chapter does not apply to a transaction to the extent it is governed by:

135.1 (1) the Uniform Commercial Code other than section 336.1-306, article 2, and  
135.2 article 2A; and

135.3 (2) section 145C.03, subdivision 1, relating to requirements for creation of a health  
135.4 care directive; section 507.24, relating to requirements for recording any conveyance,  
135.5 power of attorney, or other instrument affecting real estate; section 523.23, subdivision  
135.6 3, relating to requirements for creation of a statutory short form power of attorney; and  
135.7 section 253B.03, subdivision 6b, relating to requirements for creation of a declaration of  
135.8 preferences or instructions regarding intrusive mental health treatment.

135.9 (c) This chapter applies to an electronic record or electronic signature otherwise  
135.10 excluded from the application of this chapter under paragraph (b) to the extent it is  
135.11 governed by a law other than those specified in paragraph (b).

135.12 (d) A transaction subject to this chapter is also subject to other applicable substantive  
135.13 law.

135.14 (e) This chapter does not apply to the creation and execution of wills, codicils, or  
135.15 trusts other than trusts relating to the conduct of business, commercial, or governmental  
135.16 purposes.

135.17 (f) Except as provided in section 204B.09, subdivision 1a, this chapter does not  
135.18 apply to affidavits of candidacy relating to the conduct of elections.

135.19 Sec. 63. Minnesota Statutes 2006, section 375.101, subdivision 1, is amended to read:

135.20 Subdivision 1. **Option for filling vacancies; election in 30 to 60 days.** Except as  
135.21 provided in subdivision 3, a vacancy in the office of county commissioner ~~shall~~ may be  
135.22 filled as provided in this subdivision and subdivision 2, or as provided in subdivision 4. If  
135.23 the vacancy is to be filled under this subdivision and subdivision 2, it must be filled at a  
135.24 special election not less than 30 nor more than ~~60~~ 90 days after the vacancy occurs. The  
135.25 special primary or special election may be held on the same day as a regular primary or  
135.26 regular election but the special election shall be held not less than 14 days after the special  
135.27 primary. The person elected at the special election shall take office immediately after  
135.28 receipt of the certificate of election and upon filing the bond and taking the oath of office  
135.29 and shall serve the remainder of the unexpired term. If the county has been reapportioned  
135.30 since the commencement of the term of the vacant office, the election shall be based  
135.31 on the district as reapportioned.

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

135.33 Sec. 64. Minnesota Statutes 2006, section 375.101, is amended by adding a subdivision  
135.34 to read:

136.1            Subd. 4. **Option for filling vacancies; appointment.** Except as provided in  
136.2 subdivision 3, and as an alternative to the procedure provided in subdivisions 1 and 2, any  
136.3 other vacancy in the office of county commissioner may be filled by board appointment at  
136.4 a regular or special meeting. The appointment shall be evidenced by a resolution entered  
136.5 in the minutes and shall continue until an election is held under this subdivision. All  
136.6 elections to fill vacancies shall be for the unexpired term. If the vacancy occurs before the  
136.7 first day to file affidavits of candidacy for the next county general election and more than  
136.8 two years remain in the unexpired term, a special election shall be held in conjunction  
136.9 with the county general election. The appointed person shall serve until the qualification  
136.10 of the successor elected to fill the unexpired part of the term at that special election. If the  
136.11 vacancy occurs on or after the first day to file affidavits of candidacy for the county general  
136.12 election, or when less than two years remain in the unexpired term, there shall be no special  
136.13 election to fill the vacancy and the appointed person shall serve the remainder of the  
136.14 unexpired term and until a successor is elected and qualifies at the county general election.

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

136.16            Sec. 65. Minnesota Statutes 2006, section 410.12, subdivision 1, is amended to read:

136.17            Subdivision 1. **Proposals.** The charter commission may propose amendments to  
136.18 such charter and shall do so upon the petition of voters equal in number to five percent of  
136.19 the total votes cast at the last previous state general election in the city. Proposed charter  
136.20 amendments must be submitted at least 12 weeks before the general election. Petitions  
136.21 may be signed no earlier than 26 weeks before the general election. Only registered  
136.22 voters are eligible to sign the petition. All petitions circulated with respect to a charter  
136.23 amendment shall be uniform in character and shall have attached thereto the text of the  
136.24 proposed amendment in full; except that in the case of a proposed amendment containing  
136.25 more than 1,000 words, a true and correct copy of the same may be filed with the city  
136.26 clerk, and the petition shall then contain a summary of not less than 50 nor more than 300  
136.27 words setting forth in substance the nature of the proposed amendment. Such summary  
136.28 shall contain a statement of the objects and purposes of the amendment proposed and an  
136.29 outline of any proposed new scheme or frame work of government and shall be sufficient  
136.30 to inform the signers of the petition as to what change in government is sought to be  
136.31 accomplished by the amendment. The summary, together with a copy of the proposed  
136.32 amendment, shall first be submitted to the charter commission for its approval as to form  
136.33 and substance. The commission shall within ten days after such submission to it, return  
136.34 the same to the proposers of the amendment with such modifications in statement as it

137.1 may deem necessary in order that the summary may fairly comply with the requirements  
137.2 above set forth.

137.3 Sec. 66. Minnesota Statutes 2006, section 447.32, subdivision 4, is amended to read:

137.4 Subd. 4. **Candidates; ballots; certifying election.** A person who wants to be a  
137.5 candidate for the hospital board shall file an affidavit of candidacy for the election either  
137.6 as member at large or as a member representing the city or town where the candidate  
137.7 resides. The affidavit of candidacy must be filed with the city or town clerk not more than  
137.8 70 days nor less than 56 days before the first Tuesday after the first Monday in November  
137.9 of the year in which the general election is held. The city or town clerk must forward the  
137.10 affidavits of candidacy to the clerk of the hospital district or, for the first election, the clerk  
137.11 of the most populous city or town immediately after the last day of the filing period. A  
137.12 candidate may withdraw from the election by filing an affidavit of withdrawal with the  
137.13 clerk of the district no later than 5:00 p.m. two days after the last day to file affidavits  
137.14 of candidacy. A candidate for a hospital district office who wants write-in votes for the  
137.15 candidate to be counted must file a written request with the filing officer for the office  
137.16 sought no later than the seventh day before the general election. The filing officer must  
137.17 provide copies of the form to make the request.

137.18 Voting must be by secret ballot. The clerk shall prepare, at the expense of the  
137.19 district, necessary ballots for the election of officers. Ballots must be printed on tan paper  
137.20 and prepared as provided in the rules of the secretary of state. The ballots must be marked  
137.21 and initialed by at least two judges as official ballots and used exclusively at the election.  
137.22 Any proposition to be voted on may be printed on the ballot provided for the election  
137.23 of officers. The hospital board may also authorize the use of voting systems subject to  
137.24 chapter 206. Enough election judges may be appointed to receive the votes at each  
137.25 polling place. The election judges shall act as clerks of election, count the ballots cast,  
137.26 and submit them to the board for canvass.

137.27 After canvassing the election, the board shall issue a certificate of election to the  
137.28 candidate who received the largest number of votes cast for each office. The clerk shall  
137.29 deliver the certificate to the person entitled to it in person or by certified mail. Each person  
137.30 certified shall file an acceptance and oath of office in writing with the clerk within 30  
137.31 days after the date of delivery or mailing of the certificate. The board may fill any office  
137.32 as provided in subdivision 1 if the person elected fails to qualify within 30 days, but  
137.33 qualification is effective if made before the board acts to fill the vacancy.

137.34 Sec. 67. **AUTOMATIC REGISTRATION.**

138.1 An applicant for a Minnesota driver's license, instruction permit, or identification  
138.2 card must not be automatically registered to vote under Minnesota Statutes, section  
138.3 201.161, until the secretary of state has certified that the system for automatic registration  
138.4 of those applicants has been tested and shown to properly determine whether an applicant  
138.5 is eligible to vote.

138.6 Sec. 68. **REPEALER.**

138.7 (a) Minnesota Statutes 2006, sections 201.061, subdivision 7; 201.096; 203B.02,  
138.8 subdivision 1a; and 203B.13, subdivision 3a, are repealed.

138.9 (b) Minnesota Statutes 2006, section 203B.04, subdivision 5, is repealed effective  
138.10 April 1, 2008.

138.11 (c) Minnesota Statutes 2006, section 200.04, is repealed effective January 1, 2008.

## 138.12 ARTICLE 5

### 138.13 ELECTIONS CLARIFICATIONS

138.14 Section 1. Minnesota Statutes 2006, section 103C.305, subdivision 3, is amended to  
138.15 read:

138.16 Subd. 3. **Ballots.** Ballots shall be prepared by the county auditor. The names of  
138.17 candidates shall be placed on the "canary ballot" described in section 204D.11, subdivision  
138.18 3. The office title printed on the ballot must be either "Soil and Water Conservation  
138.19 District Supervisor" or "Conservation District Supervisor," based upon the district from  
138.20 which the supervisor is to be elected.

138.21 Sec. 2. Minnesota Statutes 2006, section 201.054, subdivision 1, is amended to read:

138.22 Subdivision 1. **Registration.** An individual may register to vote:

138.23 (1) at any time before the 20th day preceding any election as provided in section  
138.24 201.061, subdivision 1;

138.25 (2) on the day of an election as provided in section 201.061, subdivision 3; or

138.26 (3) when submitting an absentee ballot, by enclosing a completed registration ~~card~~  
138.27 application as provided in section 203B.04, subdivision 4.

138.28 Sec. 3. Minnesota Statutes 2006, section 201.061, subdivision 4, is amended to read:

138.29 Subd. 4. **Registration by election judges; procedures.** Registration at the polling  
138.30 place on election day shall be conducted by the election judges. The election judge who  
138.31 registers an individual at the polling place on election day shall not handle that voter's  
138.32 ballots at any time prior to the opening of the ballot box after the voting ends. Registration

139.1 ~~cards~~ applications and forms for oaths shall be available at each polling place. If an  
139.2 individual who registers on election day proves residence by oath of a registered voter, the  
139.3 form containing the oath shall be attached to the individual's registration ~~card~~ application.  
139.4 Registration ~~cards~~ applications completed on election day shall be forwarded to the  
139.5 county auditor who shall add the name of each voter to the registration system unless the  
139.6 information forwarded is substantially deficient. A county auditor who finds an election  
139.7 day registration substantially deficient shall give written notice to the individual whose  
139.8 registration is found deficient. An election day registration shall not be found deficient  
139.9 solely because the individual who provided proof of residence was ineligible to do so.

139.10 Sec. 4. Minnesota Statutes 2006, section 201.071, subdivision 3, is amended to read:

139.11 Subd. 3. **Deficient registration.** No voter registration application is deficient if it  
139.12 contains the voter's name, address, date of birth, current and valid Minnesota driver's  
139.13 license number or Minnesota state identification number, or if the voter has no current and  
139.14 valid Minnesota driver's license or Minnesota state identification number, the last four  
139.15 digits of the voter's Social Security number, if the voter has been issued a Social Security  
139.16 number, prior registration, if any, and signature. The absence of a zip code number does  
139.17 not cause the registration to be deficient. Failure to check a box on an application form  
139.18 that a voter has certified to be true does not cause the registration to be deficient. The  
139.19 election judges shall request an individual to correct a voter registration application if it is  
139.20 deficient or illegible ~~or if the name or number of the voter's school district is missing or~~  
139.21 ~~obviously incorrect~~. No eligible voter may be prevented from voting unless the voter's  
139.22 registration application is deficient or the voter is duly and successfully challenged in  
139.23 accordance with section 201.195 or 204C.12.

139.24 A voter registration application accepted prior to August 1, 1983, is not deficient  
139.25 for lack of date of birth. The county or municipality may attempt to obtain the date of  
139.26 birth for a voter registration application accepted prior to August 1, 1983, by a request to  
139.27 the voter at any time except at the polling place. Failure by the voter to comply with this  
139.28 request does not make the registration deficient.

139.29 A voter registration application accepted before January 1, 2004, is not deficient for  
139.30 lack of a valid Minnesota driver's license or state identification number or the last four  
139.31 digits of a Social Security number. A voter registration application submitted by a voter  
139.32 who does not have a Minnesota driver's license or state identification number, or a Social  
139.33 Security number, is not deficient for lack of any of these numbers.

139.34 Sec. 5. Minnesota Statutes 2006, section 201.071, subdivision 4, is amended to read:

140.1 Subd. 4. **Change of registration.** ~~Any~~ A county auditor who receives a registration  
140.2 ~~card~~ application indicating that an individual was previously registered in a different  
140.3 county in Minnesota shall ~~notify the county auditor of that county~~ update the voter's  
140.4 record electronically through the statewide registration system in the manner prescribed  
140.5 ~~in the rules of~~ by the secretary of state. ~~A county auditor receiving a registration card~~  
140.6 ~~indicating that a voter was previously registered in a different precinct in the same county~~  
140.7 ~~or receiving a notification as provided in this subdivision shall remove that individual's~~  
140.8 ~~voter registration card from the files.~~ Any A county auditor who receives a registration  
140.9 ~~card~~ application or notification requiring a change of registration records under this  
140.10 subdivision as a result of an election day registration shall also check the statewide  
140.11 registration system to determine whether the individual voted in more than one precinct in  
140.12 the most recent election.

140.13 Sec. 6. Minnesota Statutes 2006, section 201.081, is amended to read:

140.14 **201.081 REGISTRATION FILES.**

140.15 The statewide registration system is the official record of registered voters. The  
140.16 voter registration ~~cards~~ applications and the terminal providing access to the statewide  
140.17 registration system must be under the control of the county auditor or the public official to  
140.18 whom the county auditor has delegated the responsibility for maintaining voter registration  
140.19 records. The voter registration ~~cards~~ applications and terminals providing access to the  
140.20 statewide registration system must not be removed from the control of the county auditor  
140.21 except as provided in this subdivision. The county auditor may make photographic copies  
140.22 of voter registration ~~cards~~ applications in the manner provided by section 138.17.

140.23 A properly completed voter registration ~~card~~ application that has been submitted to  
140.24 the secretary of state or a county auditor must be maintained by the secretary of state or  
140.25 the county auditor for at least 22 months after the date that the information on the ~~card~~  
140.26 application is entered into the database of the statewide registration system. The secretary  
140.27 of state or the county auditor may dispose of the ~~cards~~ applications after retention for 22  
140.28 months in the manner provided by section 138.17.

140.29 Sec. 7. Minnesota Statutes 2006, section 201.091, subdivision 1, is amended to read:

140.30 Subdivision 1. **Master list.** Each county auditor shall prepare and maintain a  
140.31 current list of registered voters in each precinct in the county which is known as the  
140.32 master list. The master list must be created by entering each completed voter registration  
140.33 ~~card~~ application received by the county auditor into the statewide registration system. It  
140.34 must show the name, residence address, and date of birth of each voter registered in

141.1 the precinct. The information contained in the master list may only be made available  
141.2 to public officials for purposes related to election administration, jury selection, and in  
141.3 response to a law enforcement inquiry concerning a violation of or failure to comply with  
141.4 any criminal statute or state or local tax statute.

141.5 Sec. 8. Minnesota Statutes 2006, section 201.091, subdivision 8, is amended to read:

141.6 Subd. 8. **Registration places.** Each county auditor shall designate a number of  
141.7 public buildings in those political subdivisions of the county where preregistration of  
141.8 voters is allowed as provided in section 201.061, subdivision 1, where eligible voters may  
141.9 register to vote. At least one public building must be designated for each 30,000 residents  
141.10 of the county. At least one telecommunications device for the deaf must be available for  
141.11 voter registration information in each county seat and in every city of the first, second,  
141.12 and third class.

141.13 An adequate supply of registration ~~cards~~ applications and instructions must be  
141.14 maintained at each designated location, and a designated individual must be available  
141.15 there to accept registration ~~cards~~ applications and transmit them to the county auditor.

141.16 A person who, because of disability, needs assistance in order to determine eligibility  
141.17 or to register must be assisted by a designated individual. Assistance includes but is not  
141.18 limited to reading the registration form and instructions and filling out the registration  
141.19 form as directed by the eligible voter.

141.20 Sec. 9. Minnesota Statutes 2006, section 201.27, subdivision 1, is amended to read:

141.21 Subdivision 1. **Intentional violation.** No officer, deputy, clerk, or other employee  
141.22 shall intentionally:

141.23 (1) fail to perform or enforce any of the provisions of this chapter except subdivision  
141.24 2;

141.25 (2) remove a registration ~~card~~ application or record from its proper place in the  
141.26 registration files in a manner or for a purpose not authorized by law;

141.27 (3) destroy or make an unauthorized change to a record required to be kept by  
141.28 this chapter; or

141.29 (4) add a name or names to the voter registration files, records, or cards, except as  
141.30 authorized by law.

141.31 An individual who violates this subdivision is guilty of a felony.

141.32 Sec. 10. Minnesota Statutes 2006, section 203B.04, subdivision 1, is amended to read:

142.1 Subdivision 1. **Application procedures.** Except as otherwise allowed by  
142.2 subdivision 2 or by section 203B.11, subdivision 4, an application for absentee ballots  
142.3 for any election may be submitted at any time not less than one day before the day of  
142.4 that election. The county auditor shall prepare absentee ballot application forms in the  
142.5 format provided by the secretary of state, notwithstanding rules on absentee ballot forms,  
142.6 and shall furnish them to any person on request. By January 1 of each even-numbered  
142.7 year, the secretary of state shall make the forms to be used available to auditors through  
142.8 electronic means. An application submitted pursuant to this subdivision shall be in writing  
142.9 and shall be submitted to:

142.10 (a) the county auditor of the county where the applicant maintains residence; or

142.11 (b) the municipal clerk of the municipality, or school district if applicable, where  
142.12 the applicant maintains residence.

142.13 An application shall be approved if it is timely received, signed and dated by the  
142.14 applicant, contains the applicant's name and residence and mailing addresses, and states  
142.15 that the applicant is eligible to vote by absentee ballot for one of the reasons specified in  
142.16 section 203B.02. The application may contain a request for the voter's date of birth, which  
142.17 must not be made available for public inspection. An application may be submitted to  
142.18 the county auditor or municipal clerk by an electronic facsimile device. An application  
142.19 mailed or returned in person to the county auditor or municipal clerk on behalf of a voter  
142.20 by a person other than the voter must be deposited in the mail or returned in person to  
142.21 the county auditor or municipal clerk within ten days after it has been dated by the voter  
142.22 and no later than six days before the election. The absentee ballot applications or a list of  
142.23 persons applying for an absentee ballot may not be made available for public inspection  
142.24 until the close of voting on election day.

142.25 An application under this subdivision may contain an application under subdivision  
142.26 5 to automatically receive an absentee ballot application.

142.27 Sec. 11. Minnesota Statutes 2006, section 203B.04, subdivision 4, is amended to read:

142.28 Subd. 4. **Registration at time of application.** An eligible voter who is not  
142.29 registered to vote but who is otherwise eligible to vote by absentee ballot may register by  
142.30 including a completed voter registration ~~card~~ application with the absentee ballot. The  
142.31 individual shall present proof of residence as required by section 201.061, subdivision  
142.32 3, to the individual who witnesses the marking of the absentee ballots. A military voter,  
142.33 as defined in section 203B.01, may register in this manner if voting pursuant to sections  
142.34 203B.04 to 203B.15, or may register pursuant to sections 203B.16 to 203B.27.

143.1 Sec. 12. Minnesota Statutes 2006, section 203B.05, subdivision 2, is amended to read:

143.2 Subd. 2. **City, school district, and town elections.** For city, town, and school  
143.3 district elections not held on the same day as a statewide election, ~~for school district~~  
143.4 ~~elections not held on the same day as a statewide election, and for town elections~~  
143.5 ~~conducted under the Australian ballot system~~; applications for absentee ballots shall be  
143.6 filed with the city, school district, or town clerk and the duties prescribed by this chapter for  
143.7 the county auditor shall be performed by the city, school district, or town clerk unless the  
143.8 county auditor agrees to perform those duties on behalf of the city, school district, or town  
143.9 clerk. The costs incurred to provide absentee ballots and perform the duties prescribed by  
143.10 this subdivision shall be paid by the city, town, or school district holding the election.

143.11 Notwithstanding any other law, this chapter applies to school district elections held  
143.12 on the same day as a statewide election or an election for a county or municipality wholly  
143.13 or partially within the school district.

143.14 Sec. 13. Minnesota Statutes 2006, section 203B.07, subdivision 1, is amended to read:

143.15 Subdivision 1. **Delivery of envelopes, directions.** The county auditor or the  
143.16 municipal clerk shall prepare, print, and transmit a return envelope, a ballot envelope, and  
143.17 a copy of the directions for casting an absentee ballot to each applicant whose application  
143.18 for absentee ballots is accepted pursuant to section 203B.04. The directions for casting  
143.19 an absentee ballot shall be printed in at least 14-point bold type with heavy leading and  
143.20 may be printed on the ballot envelope. When a person requests the directions in Braille  
143.21 or on cassette tape, the county auditor or municipal clerk shall provide them in the form  
143.22 requested. The secretary of state shall prepare Braille and cassette copies and make them  
143.23 available.

143.24 When a voter registration ~~card~~ application is sent to the applicant as provided in  
143.25 section 203B.06, subdivision 4, the directions or registration ~~card~~ application shall include  
143.26 instructions for registering to vote.

143.27 Sec. 14. Minnesota Statutes 2006, section 203B.08, subdivision 3, is amended to read:

143.28 Subd. 3. **Procedures on receipt of ballots.** When absentee ballots are returned to a  
143.29 county auditor or municipal clerk, that official shall stamp or initial and date the return  
143.30 envelope ~~with an official seal of the office~~ and place it in a secure location with other  
143.31 return envelopes received by that office. The county auditor or municipal clerk shall  
143.32 deliver to the appropriate election judges on election day all ballots received before or  
143.33 with the last mail delivery by the United States Postal Service on election day. A town

144.1 clerk may request the United States Postal Service to deliver absentee ballots to the polling  
 144.2 place on election day instead of to the official address of the town clerk.

144.3 Sec. 15. Minnesota Statutes 2006, section 203B.10, is amended to read:

144.4 **203B.10 DELIVERY OF ABSENTEE BALLOT APPLICATIONS TO**  
 144.5 **ELECTION JUDGES.**

144.6 (a) On the day before an election:

144.7 ~~(a)~~ (1) the county auditor shall deliver to the municipal clerks within that county  
 144.8 the applications for absentee ballots theretofore received and endorsed as provided in  
 144.9 section 203B.06, subdivision 5; and

144.10 ~~(b)~~ (2) the municipal clerks shall deliver the applications received from the county  
 144.11 auditor and the applications for absentee ballots filed with their respective offices and  
 144.12 endorsed as provided in section 203B.06, subdivision 5, to the appropriate election  
 144.13 judges. Applications received on election day pursuant to section 203B.04, subdivision  
 144.14 2, shall be promptly delivered to the election judges in the precincts or to the judges of  
 144.15 an absentee ballot board.

144.16 (b) Delivery of the applications to the municipal clerks and election judges in the  
 144.17 precinct is not required if the absentee ballot envelopes have been accepted or rejected  
 144.18 by an absentee ballot board pursuant to section 203B.13.

144.19 Sec. 16. Minnesota Statutes 2006, section 204B.06, subdivision 8, is amended to read:

144.20 **Subd. 8. Proof of eligibility.** A candidate for judicial office or for the office of  
 144.21 county attorney shall submit with the affidavit of candidacy proof that the candidate is  
 144.22 licensed to practice law in this state. Proof means providing a copy of a current attorney  
 144.23 license.

144.24 A candidate for county sheriff shall submit with the affidavit of candidacy proof of  
 144.25 licensure as a peace officer in this state. Proof means providing a copy of a current Peace  
 144.26 Officer Standards and Training Board license.

144.27 Sec. 17. Minnesota Statutes 2006, section 204B.08, subdivision 3, is amended to read:

144.28 **Subd. 3. Number of signatures.** The number of signatures required on a  
 144.29 nominating petition shall be as follows:

144.30 (a) for a federal or state office voted on statewide ~~or for United States senator~~, one  
 144.31 percent of the total number of individuals voting in the state at the last preceding state  
 144.32 general election, or 2,000, whichever is less;

145.1 (b) for a congressional office, five percent of the total number of individuals voting  
145.2 in the district at the last preceding state general election, or 1,000, whichever is less;

145.3 (c) for a county or legislative office, ten percent of the total number of individuals  
145.4 voting in the county or legislative district at the last preceding state or county general  
145.5 election, or 500, whichever is less;

145.6 (d) for a municipal office in a city of the first class, the number specified in section  
145.7 205.121; and

145.8 (e) for any other municipal or school district office, ten percent of the total number  
145.9 of individuals voting in the municipality, ward, school district, or other election district  
145.10 at the last preceding municipal, or school district if applicable, general election, or 500,  
145.11 whichever is less.

145.12 Sec. 18. Minnesota Statutes 2006, section 205A.10, subdivision 1, is amended to read:

145.13 Subdivision 1. **Materials, ballots.** The school district clerk shall prepare and have  
145.14 printed the necessary election materials, including ballots, for a school district election.  
145.15 ~~The name of each candidate for office shall be rotated with the names of the other~~  
145.16 ~~candidates for the same office so that the name of each candidate appears substantially~~  
145.17 ~~an equal number of times at the top, at the bottom, and at each intermediate place in the~~  
145.18 ~~group of candidates for that office~~ names must be arranged on school district ballots in the  
145.19 manner provided in section 204D.08, subdivision 3, for state elections.

145.20 Sec. 19. Minnesota Statutes 2006, section 205A.11, subdivision 2, is amended to read:

145.21 Subd. 2. **Combined polling place.** When no other election is being held in two or  
145.22 more precincts on the day of a school district election, the school board may designate  
145.23 one or more combined polling places at which the voters in those precincts may vote in  
145.24 the school district election. In school districts that have organized into separate board  
145.25 member election districts under section 205A.12, a combined polling place for a school  
145.26 general election must be arranged so that it does not include more than one board member  
145.27 election district.

145.28 Sec. 20. Minnesota Statutes 2006, section 206.82, subdivision 2, is amended to read:

145.29 Subd. 2. **Plan.** ~~(a) Subject to paragraph (b),~~ The municipal clerk in a municipality  
145.30 where an electronic voting system is used and the county auditor of a county in which an  
145.31 electronic voting system is used in more than one municipality and the county auditor of  
145.32 a county in which a counting center serving more than one municipality is located shall  
145.33 prepare a plan which indicates acquisition of sufficient facilities, computer time, and

146.1 professional services and which describes the proposed manner of complying with section  
146.2 206.80. The plan must be signed, notarized, and submitted to the secretary of state more  
146.3 than 60 days before the first election at which the municipality uses an electronic voting  
146.4 system. Prior to July 1 of each subsequent general election year, the clerk or auditor  
146.5 shall submit to the secretary of state notification of any changes to the plan on file with  
146.6 the secretary of state. The secretary of state shall review each plan for its sufficiency and  
146.7 may request technical assistance from the Department of Administration or other agency  
146.8 which may be operating as the central computer authority. The secretary of state shall  
146.9 notify each reporting authority of the sufficiency or insufficiency of its plan within 20 days  
146.10 of receipt of the plan. The attorney general, upon request of the secretary of state, may  
146.11 seek a district court order requiring an election official to fulfill duties imposed by this  
146.12 subdivision or by rules promulgated pursuant to this section.

146.13 ~~(b) Systems implemented by counties and municipalities in calendar year 2006 are~~  
146.14 ~~exempt from paragraph (a) and section 206.58, subdivision 4, if:~~

146.15 ~~(1) the municipality has fewer than 10,000 residents; and~~

146.16 ~~(2) a valid county plan was filed by the county auditor of the county in which the~~  
146.17 ~~municipality is located.~~

146.18 Sec. 21. Laws 2004, chapter 293, article 1, section 37, subdivision 2, is amended to  
146.19 read:

146.20 Subd. 2. **Social security number.** A voter must not be included on the list of voters  
146.21 prepared under Minnesota Statutes, section 201.121, subdivision 1, whose registration is  
146.22 incomplete because of a failure to match the last four digits of the voter's Social Security  
146.23 number until the commissioner of public safety has:

146.24 (1) entered into an agreement with the commissioner of the Social Security  
146.25 Administration under Minnesota Statutes, section 201.1615, regarding the use of the last  
146.26 four digits of a Social Security number to verify voter registration information;

146.27 ~~(2) assembled a complete and current database of the last four digits of the Social~~  
146.28 ~~Security number of each resident of this state as maintained by the Social Security~~  
146.29 ~~Administration; and~~

146.30 ~~(3)~~ (2) certified, along with the secretary of state, that the voter registration system  
146.31 has been tested and shown to properly verify the last four digits of a voter's Social  
146.32 Security number.