2012 Legislative Session
Outcomes

Minnesota State Colleges and Universities
July 2012
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This publication is designed to highlight and explain legislation that affects the Minnesota State Colleges and Universities system. All summaries include a link to the relevant bill. Readers are cautioned against relying on summaries alone. When a detailed understanding of a new law is required, refer directly to the actual law.

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BASIC SKILLS EXAM BILL
H.F. 1770 (Chapter 122)

SUMMARY: The basic skills exam bill requires teacher candidates to pass a basic skills exam in reading, writing and math prior to becoming a licensed teacher. Prior law allowed students who had completed a teacher preparation program to receive up to three one-year licenses without passing a basic skills exam.

Section Basic Skills Exam Bill

1 License and rules. This section directs the Board of Teaching to adopt a rule requiring a teacher candidate to pass a basic skills exam in reading, writing, and math as a requirement for receiving an initial teaching license.

Effective Date. This section is effective the day following final enactment.

2 Teacher and support personnel qualifications. This section deletes language from law directing school districts to provide remedial assistance to district employees who completed their teacher preparation program outside Minnesota and who received a one-year license to teach while trying to pass the basic skills exam. This section also deletes language allowing a teacher candidate to receive up to three one-year teaching licenses without passing a basic skills exam.

Effective Date. This section is effective the day following final enactment.

3 Applicants licensed in other states. This section directs the Board of Teaching to require out-of-state applicants for a Minnesota teaching license or temporary teaching license to pass the basic skills exam prior to being issued a license.

Effective Date. This section is effective the day following final enactment.
ADULT EDUCATION TRACKING SYSTEM MODIFICATION BILL
S.F. 1213 (Chapter 130)

SUMMARY: The federal Adult Education and Family Literacy Act of 1998 provides federal funding for adult basic skills programs that help adults become literate and obtain educational skills needed for employment. To increase the rate at which all students attain career and postsecondary success, the federal law has increased states' requirements for performance evaluation, the types of performances that must be measured, and the involvement of the Secretary of Education in establishing expected improvements in program performance. To comply with federal law, this bill directs Minnesota's adult basic education performance tracking system to use longitudinal data on students' participation rates in diversionary work and other programs, among other data, to track and improve adult basic education program outcomes for program participants.

Section Adult Education Tracking System Modification Bill

1 Performance tracking system. To comply with federal reporting requirements, this section directs the adult basic education performance tracking system to use longitudinal data to track program outcomes, including data on the extent to which participation in a diversionary work program, Minnesota family investment program, and food support education and training program is reduced as a result of learners participating in an adult basic education program.

This section also requires an adult basic education program provider to notify a program participant asked to provide his or her social security number that the participant's social security number will be shared with the Office of Higher Education and the Department of Human Services, in addition to the Department of Education, Minnesota State Colleges and Universities and the Department of Employment and Economic Development, in order to meet the reporting requirements in this section.

Effective Date. This section is effective the day following final enactment and applies through the 2020-2021 school year.
DENTIST, DENTAL HYGIENISTS OR DENTAL ASSISTANTS LICENSING BILL
S.F. 1553 (Chapter 180)

SUMMARY: This bill makes changes to licensing for dentists, dental hygienists or dental assistants. Minnesota State Colleges and Universities educates dental hygienists and dental assistants.

Section Dentist, Dental Hygienists or Dental Assistants Licensing Bill

2 Guest licenses. This section allows the Board of Dentistry to grant a guest license to a dentist, dental hygienist, or dental assistant who is currently licensed to practice in another United States jurisdiction. Current law allows these licenses to be granted only to individuals who practice in North Dakota, South Dakota, Iowa, or Wisconsin. Language provides that a guest license expires annually on December 31.

The Board may grant a guest license for volunteer service to a dentist, dental hygienist, or dental assistant who will provide care for patients without compensation for a limited time. The board shall not assess a guest license fee greater than $25 for volunteer service. This section lists the criteria the applicant must meet before the Board will grant this guest license for volunteer service. Volunteer care is limited to no more than ten days per calendar year. The Board is required to report any disciplinary action to the licensee's state of licensure.

3 Waiver of examination. This section states that all or any part of the dentists or dental hygienists examination, may, at the discretion of the Board, be waived for an applicant who presents a certificate of having passed all components of the National Board Dental Examinations.

4 Licensure by credentials. This section states that any dentist or dental hygienist may, upon application and payment of a fee established by the Board, apply for licensure based on the applicant's performance record in lieu of passing an examination approved by the Board, and be interviewed by the Board to determine if the applicant has passed all components of the National Board Dental Examinations, among other things.

5 Display of name and certificates. This section allows the display in every dentist, dental therapist, dental hygienist, or dental assistant’s office of a wallet-sized initial license and wallet-sized subsequent renewal certificate only at non-primary practice locations instead of displaying an original-sized initial license and subsequent renewal certificate.
6 **Current address, change of address.** This section requires that every dentist, dental therapist, dental hygienist, and dental assistant to maintain with the Board of Dentistry a correct and current mailing address and an electronic mail address.
WINDOW CLEANING SAFETY BILL
S.F. 1964 (Chapter 182)

SUMMARY: The window cleaning safety bill makes an addition to the special requirements for the State Building Code related to window cleaning safety to require installation of dedicated anchorages for suspended window cleaning. This new requirement will affect construction and reconstruction or repair of buildings on college and university campuses.

Section Window Cleaning Safety Bill

1 Subd. 4 (n). Window cleaning safety. This section mandates that the State Building Code require the installation of dedicated anchorages for the purpose of suspended window cleaning on new buildings four stories or greater and already existing buildings that are four stories or greater, on those areas undergoing reconstruction or repair that includes the exposure of primary structural components of the roof.

The Commissioner of Labor and Industry may waive all or a portion of these safety requirements if the installation of dedicated anchorages would not result in significant safety improvements due to limits on the size of the project, or other factors as determined by the Commissioner.

Effective Date. This section is effective the day following final enactment.
HEALTH PROFESSIONAL EDUCATION LOAN FORGIVENESS PROGRAM BILL S.F. 2360 (Chapter 189)

SUMMARY: This bill modifies the 2011 law by stating that the change to the definition of "designated rural area" as it relates to the health professional education loan forgiveness program, applies going forward for applications submitted on or after the effective date of the bill, July 21, 2011.

Section Health Professional Education Loan Forgiveness Program Bill

1 Effective Date. This section modifies the 2011 law by stating that the change to the definition of "designated rural area" applies going forward for applications submitted on or after the effective date of the bill, July 21, 2011.
VETERANS REEMPLOYMENT RIGHTS PROTECTION EXTENSION BILL  
S.F. 1689 (Chapter 192)

SUMMARY: The Veterans reemployment rights protection extension bill provides a waiver of immunity for veterans to sue the state of Minnesota as an employer in federal or other courts for violation of the Uniformed Services Employment and Reemployment Rights Act. The bill gives special emphasis to recruitment of veterans for state employment, allows for a leave of absence from public employment during convalescence for injury or disease incurred during active service, extends reemployment rights protections to certain non-public employees, and increases credits for veterans in open examination ratings for public employment.

<table>
<thead>
<tr>
<th>Section</th>
<th>Veterans Reemployment Rights Protection Extension Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Uniformed Services Employment and Reemployment Rights Act (USERRA). This section allows a state employee, former state employee, or prospective state employee to sue the state in federal court if the state violates their rights under the federal Uniformed Services Employment and Reemployment Rights Act. The state is waiving its immunity, under the 11th Amendment to the U.S. Constitution, from suit in federal court.</td>
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<tr>
<td></td>
<td><strong>Effective Date.</strong> This section is effective the day following final enactment and applies to civil actions pending on or commenced on or after that date.</td>
</tr>
<tr>
<td>2</td>
<td>Recruitment. This section amends current law which provides that “special emphasis” be given to recruiting members of protected groups for jobs in state civil service, by adding “veterans” to the recruiting emphasis.</td>
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<td>3</td>
<td>Leave of absence without pay. This section adds additional criteria for any employee who is entitled to a leave of absence without pay during service with a right of reinstatement. An employee who during convalescence for an injury or disease incurred during active service, as documented by a line-of-duty determination form signed by proper military authority, and any other documentation as reasonably requested by the employer is now entitled to a leave of absence without pay.</td>
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<tr>
<td>5</td>
<td>Nondisabled veteran’s credit. This section increases from five points to ten points the credit given to a nondisabled veteran who elects to receive a credit, in a competitive open examination rating, under civil service laws, charter provisions, ordinances, rules or regulations of a county, city, town, school district, or other municipality or political subdivision.</td>
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6 **Disabled veteran’s credit.** This section increases from ten to 15 points the credit given to a disabled veteran who elects a credit, in a competitive open examination rating under civil service laws, charter provisions, ordinances, rules or regulations of a county, city, town, school district, or other municipality.

7 **Effective Date.** This section makes Sections 1 to 6 effective the day following final enactment.
UNEMPLOYMENT INSURANCE BILL
S.F. 2224 (Chapter 201)

SUMMARY: The unemployment insurance bill conforms to federal law and makes unemployment insurance policy and housekeeping changes.

ARTICLE 1
Federal Conformity

Section

1 Limitation on exceptions. This section provides for penalties when an employer's pattern of failing to provide timely or adequate information to the Commissioner on applicants’ eligibility for benefits results in overpayments of benefits. Language specifies that the penalty is equal to the amount of overpaid benefits, and directs that penalties be deposited in the unemployment insurance trust fund. This section is effective for determinations issued on or after July 1, 2013.

2 Overpayment because of fraud. This section directs that fraud-related penalties are deposited in the trust fund rather than the administration account.

3 Administrative penalties. This section clarifies language related to administrative penalties and changes the requirement that penalties be deposited in the trust fund rather than the contingent account.

ARTICLE 2
Policy

1 Penalties; application. This section requires that penalties be deposited in the trust fund rather than the administration account.

2 Experience rating history transfer. This section also requires that penalties be deposited in the trust fund rather than the administration account.

4 Deductible earnings. This section reduces from 55 percent to 50 percent the amount of earnings that are used to reduce an applicant’s unemployment insurance benefits.

5 Interest. This section directs that interest payments be deposited in the trust fund rather than the administration account.

6 Cancellation of overpayments. This section reduces from 15 years to 10 years the amount of time that must pass before the Commissioner must cancel overpayment, penalty and interest balances.
Agreements not allowed. This section puts into statutory language a prohibition on agreements by employers not to contest the payment of benefits in exchange for an employee's agreement to quit voluntarily, take a leave of absence, leave employment temporarily or permanently, or withdraw a grievance or appeal of termination.

ARTICLE 3
Housekeeping

1. **Electronic submission.** This section clarifies electronic submission to mean a communication via telephone, facsimile transmission or online.

2. **Non-covered employment.** This section clarifies current law language regarding unclassified positions in state employment that are non-covered employment. Language specifies that employment of an individual providing direct care to an immediate family member that is funded under section 256B.0659 (related to personal care attendants) is non-covered employment.

5. **Unemployment benefits paid from state funds.** This section provides that entitlement to benefits to be determined without regard to a burden of proof.

6. **Benefit account requirements.** This section provides that to establish a new benefit account within 52 weeks of expiration of a previous account's benefit year, an applicant must have covered employment and wages in one or more completed calendar quarters.

7. **Athletes and coaches.** This section clarifies the difference in unemployment benefit eligibility of coaches whose sole employment with an educational institution is as a coach, and coaches who have other employment with an educational institution.

8. **Available for suitable employment defined.** This section specifies that being available for suitable employment means that an applicant is ready, willing, and able to accept suitable employment. Current law requires that an applicant is ready and willing to accept suitable employment.

9. **Employment misconduct.** This section adds language that determinations and decisions regarding appeals of benefit ineligibility do not require specific acknowledgement or explanation of the requirement that in cases in which an applicant is terminated based on conduct involving only a single incident, that fact must be considered in deciding whether the conduct qualifies as misconduct.
12 Court fees; collection fees. This section provides that if the Internal Revenue Service imposes a fee for offsetting any overpayment (not just fraud overpayments under current law) from a federal tax refund, then the amount of the fee may be added to the total amount due.

14 Establishment. This section aligns language directing deposit of money into the unemployment insurance trust fund rather than the contingent or other accounts.

17 Effective Date. Unless otherwise specified, Article 3 is effective July 1, 2012.
STATE EMPLOYEE GAINSHARING PROGRAM BILL
H.F. 1850 (Chapter 205)

SUMMARY: The state employee gainsharing program bill increases the maximum award amount for a one-time bonus compensation to state employees for efforts made to reduce the costs of operating state government or for ways of providing better or more efficient services. The maximum award is increased from $1,000 per individual employee or $2,500 per group of employees, to $50,000. The award is to be paid from the appropriation to which the savings accrued.

Section State Employee Gainsharing Program Bill

1 Employee gainsharing system. This section increases the maximum award in the state employee gainsharing program from $1,000 per individual employee or $2,500 per group of employees, to $50,000.
K-12 TRANSITION PLANNING BILL
S.F. 1073 (Chapter 207)

SUMMARY: The K-12 transition planning bill proposes a transitions plan for high school students to successfully pursue postsecondary education and employment.

Section 1  
Planning for students’ successful transition to postsecondary education and employment; involuntary career tracking prohibited.
This section strongly encourages school districts to assist all students by no later than ninth grade to explore their college and career interests and aspirations and develop a plan for a smooth and successful transition to postsecondary education or employment. Students’ plans must provide a comprehensive academic plan for completing a college and career-ready curriculum premised on meeting state and local academic standards; emphasize academic rigor and high expectations; help students identify personal learning styles that may affect postsecondary and employment choices; help students succeed at gaining access to postsecondary education and career options; help students and families identify and gain access to appropriate counseling; help students and families identify collaborative partnerships; and the plans should be reviewed and revised annually.

School districts are encouraged to seek and use revenue and in-kind contributions from non-state sources and seek administrative cost savings through innovative local funding arrangements.

Effective date. This section is effective the day following final enactment and applies to students graduating in the 2013-2014 school year and later.

Section 2  
School counselors. This section strongly encourages school districts to have an adequate student-to-counselor ratio for its students beginning in the 2015-2016 school year and later.
STATE AGENCY REORGANIZATION BILL
H.F. 1813 (Chapter 220)

SUMMARY: The state agency reorganization bill requires a list of eligible contractors who can assist state agencies in accomplishing internal reorganization be made available under a master contract program.

Section

1 Reorganization services under master contract. This section requires the Commissioner of Administration to make available under a master contract program a list of eligible contractors who can assist state agencies in using data analytics to accomplish agency reorganization along service rather than functional lines. The intended goal is to provide more efficient and effective services; and bring about internal reorganization of management functions in order to flatten the organizational structure by requiring that decisions are made closer to the service needed, eliminating redundancies, and optimizing the span of control ratios to public and private sector industry benchmarks.

By January 15, 2013, the Commissioner of Administration must report to the Legislature regarding state agency’s use of eligible contractors, including improvements in efficiency and effectiveness.
VETERANS PREFERENCE BILL
S.F. 2354 (Chapter 231)

SUMMARY: The veterans preference bill allows an appointing authority within state government to appoint a disabled veteran on a non-competitive basis to fill a vacant position if certain conditions are met.

Section

1 Non-competitive appointment of certain disabled veterans. This bill states that whenever a vacancy in a classified service position is vacant, the appointing authority may appoint a disabled veteran, on a non-competitive basis, if all the below conditions occur. If a disabled veteran is appointed, an appointed authority is not required to interview another person.

(1) the disabled veteran has served in the United States armed forces and is included on a U.S. armed forces permanent disability list with a disability rating of at least 30 percent, or the disabled veteran has been rated by the U.S. Department of Veterans Affairs as having a compensable service-connected disability of at least 30 percent;

(2) the disabled veteran presents to the appointing authority written documentation from an appropriate department of the federal government certifying the existence and extent of disability. The certification must have been issued by the appropriate department of the federal government within the year preceding appointment; and

(3) the appointing authority determines that the disabled veteran meets the minimum qualifications for the vacant position.
OMNIBUS LIQUOR BILL
S.F. 2392 (Chapter 235)

SUMMARY: The omnibus liquor bill includes a provision on wine education that allows an on-sale license to be issued to a wine educator, specifying conditions for the license, including educational requirements a wine educator must meet.

Section 5 Wine educator; on-sale license. This section allows an on-sale license to be issued to a wine educator. Language specifies conditions for such a license, including service limits, and educational requirements that a wine educator must meet. Language reads licensees must possess certification, including, but not limited to, a certified specialist of wine or certified wine educator status as conferred by the Society of Wine Educators, a Wine and Spirits Education Trust Diploma, status as a certified sommelier, or the completion of a wine industry program at a college or culinary school.
K-12 EDUCATION OMNIBUS BILL
H.F. 2949 (Chapter 239)

SUMMARY: The K-12 education omnibus bill makes changes to K-12 education policy. One of the changes that affect the Minnesota State Colleges and Universities system is the expansion of the postsecondary education options program (PSEO) to 10th grade students by permitting them to enroll in a career or technical education course at qualified postsecondary institutions. All the changes that affect the system are summarized below.

ARTICLE 1
General Education

Section

7 Early graduation. This section redirects general education revenue paid by the state to school districts for students who have graduated early to the early graduation achievement scholarship program for participating students (current law allows a school district to continue to count a student who graduates early in its enrollment for the full school year). This section is effective for fiscal year 2012 and later.

8 Early graduation achievement scholarship program. This section modifies the early graduation achievement scholarship program to require an early graduate to choose either this program or the early graduation military service award. Language defines an eligible student as a secondary student enrolled in a Minnesota public school who, at the time of graduation, generated Minnesota general education revenue and who graduates prior to the end of the fourth school year after first enrolling in ninth grade. Language also requires an eligible student to apply for the scholarship money within two calendar years of the date of graduation, and the scholarship is to be used within six years of the student's graduation. This section also amends statute to increase the amount of time the Commissioner of Education must issue a scholarship check; from 15 days to 45 days. Language is also amended that provides for the scholarship check to be issued to the higher education institution instead of the student. This section is effective for fiscal year 2012 and later.

9 Early graduation military service award program. This section clarifies that in order to be eligible for a military service award, an eligible student, at the time of graduation, attended a Minnesota public school, was generating general education aid, graduated prior to the end of the fourth school year after first enrolling in ninth grade, and didn't participate in the early graduation scholarship program. Language requires an eligible student to apply for the scholarship money within two calendar years of the date of graduation. This section is effective for fiscal year 2012 and
10 **Rigorous course taking information; AP, IB, and PSEO.** This section directs the Commissioner of the Department of Education to annually report to the Legislature on students' rigorous course taking related to AP, IB, and PSEO.

14 **Authorization; career or technical education.** This section allows a 10th, 11th, or 12th grade student, except a foreign exchange student, to enroll in a career and technical education course offered by Minnesota State Colleges and Universities. Language requires a 10th grade student to pass the 8th grade reading Minnesota Comprehensive Assessment (MCA) in order to participate. This section allows an eligible student who is refused enrollment by MnSCU to apply to an eligible institution offering a career and technical education course. Language requires a postsecondary institution to allow a secondary student who receives a career and technical education course grade of "C" or better to take additional postsecondary courses for secondary credit at the institution.

This section defines a “career and technical education course” as part of a career and technical education program that provides students with coherent, rigorous content aligned with academic standards and the technical knowledge and skills needed to prepare for further education and careers in current and emerging professions and provide technical skill proficiency, an industry-recognized credential, and a certificate, diploma, or associate degree.

15 **Dissemination of information; notification of intent to enroll.** This section pushes back the date of a student's notice to the school district of intent to enroll in PSEO from March 1 to May 30.

16 **Enrollment priority.** This section allows postsecondary institutions to advertise or solicit the participation of secondary pupils on educational and programmatic grounds only.

17 **Credits.** This section allows a pupil to enroll in a postsecondary course and receive both secondary and postsecondary credit. Language requires postsecondary institutions to grant postsecondary credit to an entering student who successfully completed postsecondary courses, consistent with the institution's credit transfer policy.

18 **Transportation.** This section allows an alternative pupil's parents, if the family income is at or below the poverty level, to apply to the pupil's postsecondary institution for reimbursement for transporting the pupil between the secondary school or home and the pupil's postsecondary institution when the pupil is participating in a PSEO course for secondary
credit. The state must pay aid to the postsecondary institution.

29 Requirements for participation. This section allows a college or university to recruit or solicit secondary students to enroll in PSEO courses on educational and programmatic grounds, not on financial grounds.

34 Repealer. This section repeals Minnesota Statutes 2010, section 124D.09, Subd. 23 for the 2012-2013 school year and later. This statute reads, “A secondary pupil who is a resident of a member district of an intermediate district, as defined in section 136D.01, may not enroll in that intermediate district's vocational program as a postsecondary pupil under this section when the intermediate district operates a secondary program at a college facility and secondary students have access to the postsecondary curriculum and receive high school and college credit for successfully completing the program.”

ARTICLE 2
Education Excellence

4 Statewide testing. This section allows, for the 2012-2013 and 2013-2014 school years only, students who have not successfully passed the basic skills test by the end of the 2011-2012 school year to satisfy the state's math test requirement by completing all state and local coursework and credits required for graduation by the school board granting their diploma; and fully participating in at least two retests of the math GRAD test or until they pass the test, whichever comes first.

7 Site decision-making; individualized learning agreement; other agreements.
   Subd. 1a. Individualized learning and instruction; improved student achievement. This subdivision allows a school board that enters into an achievement contract under this section to consider how to: (1) assist a school site to adapt instruction to individual student needs, and establish goals and standards for individual students in addition to the state academic standards; (2) coordinate the pace of instruction and learning with the needs and aptitudes of individual students; (3) provide useful data and assist with research in developing and improving innovative, cost-effective, research-based individualized learning, instruction, and assessment; (4) demonstrate and help evaluate instructional alternatives to age-based grade progression; (5) more effectively motivate students and teachers; and (6) expand use of learning technology to support individualized learning, instruction, assessment and achievement.
Subd. 2. Agreement. This subdivision permits a school board and school site to enter into an agreement to develop and implement an individualized learning and achievement contract.

Subd. 4. Achievement contract. This subdivision allows a school board and a site decision-making team to enter into a site achievement contract for:

1. setting individualized learning and achievement measures and short- and long-term education goals for each student at the site;
2. recognizing each student's educational needs and aptitudes and levels of academic attainment;
3. using student performance data to diagnose a student's academic strengths and weaknesses and indicate to teachers the specific skills and concepts that need to be introduced to the student and developed through instruction or applied learning during the next year, consistent with the student's short- and long-term educational goals; and
4. assisting the education site if progress in achieving student or contract goals or other performance expectations agreed to by the board and site team are not realized or implemented.

Subd. 4a. Additional site agreements premised on successful achievement contracts. This subdivision allows a school board that enters into an achievement contract with a school site where student performance data at the site show at least three consecutive school years of improved student achievement consistent with terms of the contract to try to establish a similar contract with other school sites in the district.

Effective Date. This section is effective the day following final enactment.

Authorizer. This section is amended to allow any approved authorizer, instead of one that has chartered multiple schools, to vote to withdraw as an approved authorizer. A community college, technical college or state university may authorize one or more charter schools.

Review and comments. This section prohibits an authorizer of a charter school from assessing a fee for any required services except as already provided in this subdivision.

One-year licenses. Despite a 2012 law change requiring teacher candidates to pass a basic skills test before being issued an initial teaching license, this section allows a person who holds a temporary one-year license to teach during the 2011-2012 school year to continue to teach through the 2012-2013 school year.
AGRICULTURE BILL
H.F. 2398 (Chapter 244)

SUMMARY: The agriculture bill includes provisions that establish and address a Dairy Research, Teaching, and Consumer Education Authority. The authority is governed by a nine-member board of directors, which includes a member of the agricultural education faculty of the Minnesota State Colleges and Universities system.

ARTICLE 1
Agriculture Policy

Section

34 Organization. This section establishes the Dairy Research, Teaching, and Consumer Education Authority as a public corporation. The authority is governed by a board of nine directors, including the dean of the University of Minnesota College of Food, Agriculture and Natural Resource Sciences, and one member of the board must be a member of the agricultural education faculty of the Minnesota State Colleges and Universities system.

This section also provides authority to the Board to adopt bylaws necessary to conduct business, locate and maintain the authority’s place of business, elect officers, and meet at least four times a year.

35 Powers. This section endows the Authority with many of the powers granted to private corporations, except the powers to locate in another state, issue and trade securities, make loans, issue advances to directors and employees, and operate under an assumed name. This section also authorizes the Authority to work with a Minnesota nonprofit corporation to design, develop, and operate a dairy research, teaching, and consumer education facility. The site for the facility must accommodate specified facilities and activities, including a milking parlor and classroom space. Language allows the Authority to accept contributions to support the facility.

36 Employees. This section authorizes the Authority to hire employees. A person employed by a contractor or lessee is not a state employee and may not participate in state employee benefit programs. However, a University of Minnesota or Minnesota State Colleges and Universities system employee or faculty member would not lose their employment status solely because they work at the dairy research, teaching, and consumer education facility.

37 Accounts; audits. This section authorizes the Authority to establish
necessary funds and accounts, and requires the Authority to pay for an annual financial audit by the state auditor.

38 **Annual Report.** This section requires the Authority to report annually to the legislative agriculture committees and the governor on the activities of the Authority and its contractors and lessees by February 1 each year.

39 **Expiration.** This section states the Authority would expire in five years if it has not acquired a site for the new facility.
HEALTH AND HUMAN SERVICES BILL
H.F. 2294 (Chapter 247)

SUMMARY: The health and human services bill includes an amendment to the statute on critical access dental providers. A dental clinic owned and operated by the University of Minnesota or the Minnesota State Colleges and Universities system are designated as critical access dental providers.

ARTICLE 1
Health Care

Section

17 Critical access dental providers. This section provides a critical access dental clinic with the critical access dental reimbursement rate for dental services provided off-site at a private dental office, if the following requirements are met:

(1) the clinic is located in a health professional shortage area and outside the seven-county metropolitan area;

(2) the clinic is not able to provide the service and refers the patient to the off-site dentist;

(3) the service would be reimbursed at the critical access reimbursement rate if the service was provided at the critical access dental clinic;

(4) the dental professionals providing services off-site are licensed and in good standing;

(5) the dentist providing the services is enrolled as a medical assistance provider;

(6) the critical access dental clinic submits the claim and receives the payment for the services provided off-site; and

(7) the critical access dental clinic maintains dental records for each claim submitted.

Effective Date. This section is effective July 1, 2012, or upon federal approval, whichever is later.
SCHOOL DISTRICT COLLABORATION BILL
S.F. 946 (Chapter 263)

SUMMARY: The school district collaboration bill establishes a pilot project to examine how school districts might operate jointly to provide innovative delivery of programs and activities, as well as share resources.

Section 1

Innovative delivery of education services and sharing of district resources; pilot project.

Subd. 1. Establishment; requirements for participation. This subdivision establishes a five-year pilot project for the school years 2013-2014 through 2017-2018 to improve student and school outcomes by allowing groups of school districts to work together to provide innovative education programs and activities and share district resources. To participate in the pilot project, a group of two or more school districts must collaborate with school staff and receive formal school board approval to form a partnership. The partnership must develop a plan to provide challenging programmatic options for students, create professional development opportunities for educators, increase student engagement and connection and challenging learning opportunities for students, or demonstrate efficiencies in delivering financial and other services. A partnership of interested districts must apply by February 1, 2013 to the Department of Education.

Subd. 2. Commissioner's role. This subdivision requires the Education Commissioner to convene an advisory panel composed of a teacher appointed by Education Minnesota, a school principal appointed by the Minnesota Association of Secondary School Principals, a school board member appointed by the Minnesota School Boards Association, and a school superintendent appointed by the Minnesota Association of School Administrators to advise the Education Commissioner on applicants' qualifications to participate in this pilot project. To the extent practicable, the Commissioner must select between three and six qualified applicants to participate in this pilot project, ensuring an equitable geographical distribution of project participants.

Subd. 3. Pilot project evaluation. This subdivision requires participating school districts to submit pilot project data. The Education Commissioner must analyze participating districts' progress in realizing their educational goals and objectives to work together in providing innovative education programs and activities and sharing resources. The Commissioner must include the analysis of best practices in a report to the Legislature on the efficacy of this pilot project.

Effective Date. This section is effective the day following final enactment and applies to the 2013-2014 through 2017-2018 school years.
2 **Appropriation.** This section appropriates $25,000 in fiscal year 2013 to the Education Commissioner for the review of applicants, selection of participants, and evaluation of the pilot projects. The base for the Department of Education is increased by $25,000 for fiscal years 2014 through 2018.
HIGHER EDUCATION OMNIBUS BILL
S.F. 1573 (Chapter 270)

SUMMARY: The higher education omnibus bill provides for policy changes that affect the Minnesota State Colleges and Universities, the University of Minnesota and the Minnesota Office of Higher Education. Some of the provisions, as described below, include changes to textbook law. There is also a provision on continuing operations that allows colleges and universities in the Minnesota State Colleges and Universities system access to their cash in order to continue serving students if a state government shutdown were to happen. The bill also includes an increase in the revenue fund authority from $300 million to $405 million. This language will allow MnSCU campuses the opportunity to evaluate and plan, in consultation with students, for the future of revenue generating facilities including, but not limited to: dorms, student unions, dining facilities, and parking. A thorough summary of the bill is provided below.

Section Higher Education Omnibus bill

1 Student health care. This section specifies that a Minnesota public postsecondary institution must grant a waiver from its required student health insurance plan coverage if the student requests the waiver and the student has health insurance coverage from another source including employer group coverage, private insurance, association group coverage, health sharing organizations, and Minnesota Care. An institution must notify students of the right to request the waiver.

2 Definitions. This section adds to the list of students exempted from having to submit a statement of immunization prior to enrolling in a Minnesota public or private postsecondary institution. The new language specifically excludes students attending only extension, online, or evening or weekend adult accelerated programs.

3 Bookstores; course materials. This section makes technical corrections to the statute that encourages the University of Minnesota and private colleges to comply with the textbook and bookstore requirements in statute.

4 Course schedule and material list. This section directs each college and university in the Minnesota State Colleges and Universities system to compile a course schedule indicating each course offered by the institution that includes, to the extent practicable, specified course information. The information must be published on the college or university’s Web site.

5 Notice to purchase. This section directs an instructor or department to notify a bookstore of the final order for required and recommended course material at least 45 days prior to the beginning of the term. Language requires the submission of additional course material information, by bookstores, at least 30 days prior to the beginning of the term for which the course materials are
required. This section also defines “custom textbooks” as course materials that are compiled by a publisher at the direction of a faculty member or, if applicable, the other adopting entity in charge of selecting course materials for courses taught at a state college or university.

6 **Interest income.** This section makes a technical correction to the statute that requires the Board of Trustees to allocate the interest income attributable to general fund dedicated receipts proportionately among the colleges and universities. This section is effective July 1, 2012.

7 **Continued operations.** This section provides for the continued operation of Minnesota State Colleges and Universities during a budget impasse or state government shutdown. The Commissioner of Minnesota Management and Budget shall provide the Board of Trustees with access to its funds as deemed necessary to continue operations. This section is effective July 1, 2012.

8 **Issuance of bonds.** This section increases the Minnesota State Colleges and Universities Board of Trustees' authorization to issue revenue bonds from $300 million to $405 million.

9 **Contingent account owner.** This section updates the college savings program’s definition of “contingent account owner.”

10 **Mineral research; scholarships.** This section reallocates money distributed to the permanent university fund mineral research account. Beginning January 1, 2013, 50 percent of the income must be allocated as follows: one-half, up to $50 million, is allocated to the Natural Resources Research Institute (NRRI) for mineral and mineral-related research; the other half, up to $25 million is credited to an endowment to support the operating costs of, and scholarships for students in, a mining, metallurgical, or related engineering program offered through the University of Minnesota at Mesabi Range Community and Technical College. The maximum scholarship award per academic year for a student enrolled in the mining, metallurgical, or related engineering program must not exceed $6,500, and is available for a maximum of four academic years.

Income in excess of the $50 million to NRRI, and any income in excess of the $25 million for the engineering program must be credited to the endowed scholarship account for distribution to resident undergraduate students attending the University of Minnesota.

11 **Exemptions.** This section exempts a school that provides non-academic programs from state regulation. This section is effective retroactively from August 1, 2008.

12 **Eligibility.** This section expands eligibility requirements for the Safety
Officers Survivors Benefit program to include both undergraduate and graduate enrollment. Language clarifies that eligibility is limited to five academic years or the equivalent for both undergraduate and graduate study. This section is effective retroactively from July 1, 2011.

13 **Award amount.** This section also relates to the Safety Officers Survivors Benefit program and defines “tuition maximum” for graduate student as the maximum established by law for the state grant program for four-year programs, and “full time” for a graduate program as eight or more credits per term or the equivalent for the purpose of calculating awards under this program.

14 **Minnesota State Colleges and Universities textbook work group.** This section directs the Board of Trustees to establish a work group to study methods that result in lower textbook costs. The goal of this work group is to help assess current practices, present a stable of business strategies, technologies, and campus deployment plans that are effective in driving down the cost of learning resources for students while offering greater access to no- or low-cost academic content for faculty.

15 **University of Minnesota appropriation transfer to Hennepin County Medical Center.** This section directs the Board of Regents to transfer $645,000 in fiscal years 2012 and 2013 from the appropriations made to the Board for operations and maintenance in Laws 2011, to the Hennepin County Medical Center (HCMC) for graduate family medicine education programs at HCMC. This section is effective the day following final enactment.

16 **Teacher performance assessment.** This section directs the Minnesota Board of Teaching to submit recommendations to eliminate lower priority tests or assessments to offset additional fees charged to students for the teacher performance assessment, to the Legislature by January 15, 2013.
ONLINE AND DIGITAL LEARNING BILL
S.F. 1528 (Chapter 273)

SUMMARY: The online and digital learning bill provides for digital and online learning in the K-12 classroom. Section 1 below requires all postsecondary institutions to include in their teacher preparation programs, the knowledge and skills teacher candidates need to deliver digital and blended learning and curriculum and engage students with technology.

Section 1 Technology strategies. This section directs all postsecondary institutions offering teacher preparation programs approved by the Minnesota Board of Teaching to include in their preparation programs the knowledge and skills teacher candidates need to deliver digital and blended learning and curriculum and engage students with technology.
This section is effective for candidates entering a teacher preparation program after June 30, 2014.

Section 2 Effective staff development activities. This section requires staff development activities related to enhancing teacher content knowledge and instructional skills to accommodate the delivery of digital and blended learning and curriculum and engage students with technology.
This section is effective the day following final enactment.

Section 3 Staff development outcomes. This section includes effective delivery of digital and blended learning and curriculum and engaging students with technology among specified staff development goals.
This section is effective the day following final enactment.

Section 4 Definitions. This section defines “digital learning” as learning facilitated by technology that offers students an element of control over the time, place, path, or pace of their learning. This section also defines “blended learning” as a form of digital learning that occurs when: a student learns part-time in a supervised physical setting and part-time through digital delivery of instruction; or a student learns in a supervised physical setting where technology is used as a primary method to deliver instruction.
Language amends the definition of “online learning provider” to indicate that the provider must be approved by the Department of Education to provide online learning courses.
This section is effective the day following final enactment.

Section 5 Online learning parameters. This section makes technical changes.
This section is effective the day following final enactment.

Section 6 Department of Education. This section requires the Department of
Education to review and approve or disapprove digital learning providers within 90 calendar days after receiving a provider’s application. Language also clarifies a process for approving or disapproving and reviewing online learning providers.

This section also requires providers other than an enrolling school district offering digital learning to its students, to give the Department of Education Commissioner written assurances about course offerings.

This section also allows the Department of Education to review complaints about a provider and to withhold funds or require compliance plan if the Department determines that a provider violated a law or rule. This section is effective the day following final enactment.

7 **Online Learning Advisory Council.** This section directs the Online Learning Advisory Council, by June 30, 2013, to develop and maintain a catalog of publicly available digital learning content currently aligned to Minnesota academic standards. The catalog shall include: an index of Minnesota academic standards with which curriculum is aligned; a method for students and teachers to provide evaluative feedback; and a plan for ongoing maintenance.

8 **Use of revenue.** This section allows the basic skills revenue to be used to meet students’ needs related to digital learning.

9 **Online Learning Advisory Council report.** This section directs the Online Learning Advisory Council to review Minnesota education rules and laws pertaining to classroom learning to determine which, if any, inhibit digital learning. Language requires that the results of this review be included in a report to the Legislature by June 30, 2013.

10 **Appropriation.** This section appropriates $104,000 one-time in fiscal year 2013 to the Department of Education for additional support and staffing related to digital learning and online learning. For fiscal year 2014 and later, the Department’s base is to be increased by $26,000 each year.
GAME AND FISH BILL
H.F. 2171 (Chapter 277)

SUMMARY: The game and fish bill includes a provision that allows publically funded shooting ranges to be made available at least twice during the spring and twice during the summer for participants in a Department of Natural Resources firearms safety instruction course. Many campuses in the Minnesota State Colleges and Universities system have a shooting range located on campus for law enforcement programs.

ARTICLE 1
Game and Fish Policy

Section

18 Public shooting ranges; accessibility. This section requires a publicly owned or managed shooting range located in the seven-county metro area that is funded in whole or part with public funds to be made available at least twice during the spring and twice during the summer for use by participants in a Minnesota Department of Natural Resources firearms safety instruction course. The shooting range is to be available during hours reasonable for youth participants. The range operator may charge a fee to cover any costs directly incurred, but may not charge a fee to offset costs for general maintenance and operation of the facility. This section does not apply to cities of the first class or a shooting range located on the same premises as a correctional or detention facility that holds or incarcerates offenders.
OMNIBUS PENSION BILL  
S.F. 1808 (Chapter 286)  

SUMMARY: The omnibus pension bill contains various provisions related to pension of an administrative nature, as well as provisions with some policy substance. Minnesota State Colleges and Universities administer all or part of several pension programs, and employees participate in numerous plans, including deferred compensation and tax sheltered annuity programs. Those provisions that affect the Minnesota State Colleges and Universities system and its employees are summarized below.

ARTICLE 1  
Statutory Actuarial Assumption and Conforming Changes

Section

2 Interest and salary assumptions. This section, among other things, sets a select and ultimate interest rate assumption of 8 percent for the period from 6/30/2012 to 6/30/2017, and an ultimate interest rate assumption of 8.5 percent after 6/30/2017. Language resets the ultimate salary increase assumption for MSRS-General and PERA-General consistent with a 2009 experience study recommendation, and resets the payroll growth assumption for all statewide plans except the Legislators Plan at 3.75 percent.

4 Delayed reporting date for certain quadrennial experience studies. This section delays MSRS-General and PERA-General and TRA experience studies until 2015. The studies will cover six years instead of four years.

ARTICLE 2  
Contribution Adequacy Reporting

1 Adequacy of budgeted and forecasted defined benefit plan retirement contributions. This section requires Minnesota Management and Budget to prepare a report, in each odd-numbered year, on the adequacy of pension plan support (appropriations, aid, and contributions to pension plans) compared to the actuarial funding requirements.

ARTICLE 4  
Health Care Savings Plan Modifications

1 Contributions. This section applies to the MSRS Health Care Savings Plan and allows the use of plan assets following termination, and in other circumstances specified in the plan document, rather than following termination or during active employment.
2 Reimbursement for health-related expenses. This section applies to the MSRS Health Care Savings Plan and clarifies the reimbursement for expenses so that any assets remaining after the death of the participant and the participant’s spouse must be used solely by a living person or persons designated by the personal representative of the estate for reimbursement of health care related expenses.

3 Fees. This section applies to the MSRS Health Care Savings Plan and allows fees not needed to cover current costs to be placed in an administrative fee account, with a balance not to exceed one year’s expected fees.

ARTICLE 5
MSRS-Unclassified Retirement Program Modifications

1 Transfer to general employees retirement plan. This section clarifies that it is MSRS-Unclassified employees first employed after 6/30/2010 who are prohibited from transferring to MSRS-General after the first seven years of service, rather than applying the restriction to any existing employee who continues in employment beyond 6/30/2010.

ARTICLE 6
PERA-Administered Retirement Plan Modifications

1 Allowable service; limits and computation. This section revises the PERA allowable service provision by correcting a cross-reference.

2 Vesting. This section clarifies the PERA vesting provision.

5 PERA-administered retirement plans; study of updated membership wage threshold figure. This section requires PERA to study minimum salary threshold options and report to the Legislative Commission on Pensions and Retirement.

ARTICLE 8
TRA Administrative Changes and Related Modifications

1 First class city teacher retirement funds aids reporting. This section revises and updates a requirement that the Commissioner of Minnesota Management and Budget report state aid amounts being paid to first class city teacher plans by specifying TRA as the successor to the former MTRFA.

3 Additional contributions by special school district No. 1 and City of Minneapolis. This section moves two existing law aid provisions from other statutes to a new provision in the TRA chapter.
Subd. 1. Special direct state matching aid. As special direct state matching aid, each fiscal year the City of Minneapolis and the Minneapolis school district must each contribute $1.25 million to TRA, which the state shall match with an annual $2.5 million contribution.

Subd. 2. Additional contributions. As additional contribution amounts, in addition to any other required contributions the City of Minneapolis and the Minneapolis school district must each contribute an additional $1 million.

Subd. 4. Expiration. This section is repealed when TRA becomes fully funded.

4 Payment of shortages. This section revises the TRA payment of shortages provision by striking shortage recapture language which is moved to another section.

5 Recovery of deficiencies. This section specifies a procedure for recovering contribution/aid payment deficiencies. In addition to any other remedies in law, if an employing unit fails to pay in full within 60 days any aid or contributions required to be remitted to TRA, the executive director may certify amounts to the Minnesota Management and Budget Commissioner, who will withhold needed amounts from aid to the employing unit and transmit the amounts to TRA.

6 Termination of supplemental contributions and direct matching and state aid. This section revises a provision on termination of supplemental contributions and direct matching aid by striking language moved to new Minnesota Statute 354.435.

7 Interest and salary assumptions. For Minnesota defined benefit plans, the actuarial valuation interest and salary assumption provision is revised by clarifying the provision and removing obsolete language.

8 Teachers Retirement Association annual postretirement adjustments. This section revises the TRA post-retirement adjustment procedures provision by paying prorated adjustments rather than full adjustments to those who are retired up to 18 rather than 12 months prior to the adjustment.

9 Reallocation of amortization or supplementary amortization state aid. This section revises the reallocation of amortization or supplementary amortization state aid provision to simplify the provision and by striking obsolete language and language being moved to another provision.

ARTICLE 9
Federal Internal Revenue Code Conformity Provisions
1. **Federal compensation limits.** This section revises a federal compensation limit provision applicable to all plans by stating that any differential wage payment must be treated as compensation for purposes of determining whether wages for pension purposes have been exceeded.

2. **Maximum benefit limitations.** This section revises the federal code compliance maximum benefit limitation provision by striking language specifying the limitation year (moved to a new provision), and to specify that if an annuitant participated in more than one pension plan maintained by the same employer, the benefits under each plan must be reduced proportionately to satisfy any applicable limitation.

3. **Maximum annual addition limitation, defined contributions plans.** This section revises the federal code compliance maximum annual additional limitation provision by removing obsolete language and by generalizing the provision to apply to all defined contribution plans.

4. **Compensation.** This section revises the federal code compliance compensation definition provision by clarifying that compensation for pension plan purposes must not exceed compensation limits for pension plan purposes as set in applicable federal treasury regulations, and by removing all statements specifying compliance with federal code.

5. **Limitation year.** This section adds a new subdivision (containing language moved from another provision) that defines “limitation year” as the plan’s calendar year or fiscal year, whichever is applicable, for purposes of complying with federal code.

6. **Eligible retirement plan.** This section revises a federal compliance provision by including references to Roth IRAs as eligible retirement plans.

7. **Military service.** This section revises a federal compliance provision by including a reference to military death and disability benefits in a military service compliance provision.

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**ARTICLE 10**

**Authorized Public Pension Fund Investment Revisions**

7. **Report required.** This section excludes various self-directed contribution retirement funds from an investment performance reporting requirement, which includes the Minnesota State Colleges and Universities. The system is no longer required to report investment performance information.

12. **Investment authority transition provision.** This section states that if any investment by the State Board of Investment or any covered pension plan
fund is no longer permitted due to the sections of this act, the investment must be liquidated before 6/30/2013.

**ARTICLE 13**

*Small Group or One Person Retirement Provisions*

4 Teachers Retirement Association; coverage election for certain MnSCU faculty members. This section allows a certain MnSCU faculty member hired in 2005 to elect TRA coverage as her mandatory retirement program in lieu of IRAP. The provision is retroactive to the employee’s hire date. This section is effective the day following final enactment.
OMNIBUS TRANSPORTATION POLICY BILL
H.F. 2685 (Chapter 287)

SUMMARY: The omnibus transportation policy bill includes provisions regarding contractors’ bonds for public work, which applies to all public contractors, including Minnesota State Colleges and Universities.

ARTICLE 4
Transportation Policy

Section

44 Exemptions: certain manufacturers; commissioner of transportation; road maintenance. For Minnesota Statutes 574.26, Subd. 1a, this section changes the threshold at which the sections relating to contractors’ bonds for public work applies. The amount is linked to the threshold in the competitive bidding law, which is currently $100,000. This section is effective the day following final enactment.

45 Terms. For Minnesota Statutes 574.26, Subd. 2, this section changes the threshold at which the sections relating to contractors’ bonds for public work applies. The amount is linked to the threshold in the competitive bidding law, which is currently $100,000. This section is effective the day following final enactment.
FIRE SAFETY BILL  
S.F. 1983 (Chapter 289)

SUMMARY: The fire safety bill, among other things, provides a base funding level for the fire safety account. The bill provides $2.7 million in fiscal years 2014 and 2015 for firefighter training and education.

Section  Fire Safety Bill

4 Legislative intent; fire safety account. This section states that the Legislature intends that all money in the fire safety account be appropriated to the Commissioner of Public Safety to fund the state fire marshal’s office and activities and programs under this section.

7 Fire safety account; base funding. This section sets the base for the state fire marshal appropriation at $4.487 million in fiscal years 2014 and 2015. The base for the firefighter training and education appropriation is $2.7 million in fiscal years 2014 and 2015.

8 Appropriation; report. This section appropriates $4.5 million in fiscal year 2013 from the fire safety account in the special revenue fund to the Commissioner of Public Safety for activities and programs. Of this appropriation $500,000 is for equipment for regional and state teams. By January 15, 2014, the Commissioner shall report to the Legislature regarding the balances and uses of the account.
OMNIBUS DATA PRACTICES BILL
S.F. 1143 (Chapter 290)

SUMMARY: The omnibus data practices bill regulates public data. The changes made to the government data practice laws and open meeting law in the 2012 legislative session are summarized below. Technical and stylistic changes to the Data Practices Act are not included.

<table>
<thead>
<tr>
<th>Section</th>
<th>Omnibus Data Practices Bill</th>
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<tbody>
<tr>
<td>9</td>
<td><strong>Responsible authority.</strong> This section amends the definition of “responsible authority” under the Data Practices Act to specify individuals in political subdivisions who will serve as the responsible authority until the governing body appoints one.</td>
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<tr>
<td>10</td>
<td><strong>Government entity obligation.</strong> This section combines government entity obligation provisions that appear in different sections of current law into one section.</td>
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<td>11</td>
<td><strong>Procedures.</strong> This section removes a requirement that public access procedures be updated every year by August 1.</td>
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<td>12</td>
<td><strong>Change in classification of data; effect of dissemination amount agencies.</strong> This section amends the “traveling data” statute. Grammatical corrections are included; clarifications are made in the language governing data that travel from the judicial branch to a government entity. If data have a specific classification under state or federal law, the government entity must maintain the data according to the specific classification.</td>
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<tr>
<td>13</td>
<td><strong>Effect.</strong> This section amends the commissioner opinion statute to require an opinion to indicate when the principles stated in the opinion are not intended to provide guidance to all similarly situated persons or government entities.</td>
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<tr>
<td>16</td>
<td><strong>Definitions.</strong> This section amends the definition of “security information” to require the responsible authority to determine that disclosure would be likely to jeopardize the security of information, individuals, or property against theft and other improper uses.</td>
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<tr>
<td>17</td>
<td><strong>Classification.</strong> This section provides that if a government entity denies a data request based on a determination that the data are security information, upon request, it must provide a short description explaining the necessity for the classification.</td>
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</table>
| 20      | **Exclusion.** This section amends the civil investigative data statute to provide that it does not apply when the sole issue or dispute is a
government entity’s timeliness in responding to a data request.

23 **Employee of contractor or subcontractor.** This section amends the personnel data statute to provide that if the personal telephone number, home address, and e-mail address of an employee are maintained as a result of a contractual relationship entered into on or after August 1, 2012, between a contractor or subcontractor and a government entity, the data are private. A government entity must share the data with a government entity to perform a function authorized by law and must disclose the data to a government entity or any person for prevailing wage purposes.

24 **Real property; appraisal data.** This section amends the appraisal data statute to allow a government entity to make data that are confidential or protected non-public data to become public data. This section is effective the day following final enactment.

37 **Applicants for appointment.** This section amends the statute governing data on applicants for appointment that are public to make it consistent with the personnel data statute.

38 **Dependent eligibility audit.** This section adds a cross-reference to the new classification of dependent eligibility audit data in section 65.

39 **Unofficial fiscal notes.** This section classifies data on a request for an unofficial fiscal note. "Unofficial fiscal note" is defined as a fiscal note requested by or on behalf of a member of the Legislature on draft language for a bill that has not been introduced. If a fiscal note request is accompanied by a directive from the requester that the data be classified under this section, data on the request, the bill draft, and the unofficial fiscal note would be private data on individuals or nonpublic data, but would be accessible to, and could be disclosed by, the requester. If the unofficial fiscal note or an updated version is used for an introduced bill or legislation, an amendment, or proposed bill that is offered for consideration by a legislative committee, the fiscal note becomes public data. This section addresses a recommendation contained in a February 2012 report from the Legislative Auditor on fiscal notes.

63 **Notice.** This section amends the Open Meeting Law to clarify that the ten-day Web posting requirement applies only to regular meetings.

65 **Enrollment.** This section classifies data submitted to the Commissioner of Management and Budget as part of a dependent eligibility audit as private data. The data may be shared with and used by an employer if necessary to pursue any action arising out of apparent ineligibility of a dependent. This section is effective the day following final enactment.
Limit on termination of dependent coverage. This section establishes procedures and notice requirements that must be followed before the commissioner may terminate enrollment of a dependent for failure to submit documentation as part of an eligibility audit. This section expires on January 1, 2014. This section is effective the day following final enactment.
SUPPLEMENTAL BUDGET BILL
H.F. 2967 (Chapter 292)

SUMMARY: The supplemental budget bill includes funding in the middle of the biennium for certain programs, including a leveraged equipment program for the Minnesota State Colleges and Universities.

ARTICLE 2
Forecast Adjustment
General Education

Section

2 Enrollment options transportation. This section appropriates $42,000 in fiscal year 2012 and $46,000 in fiscal year 2013 for transportation of pupils attending postsecondary institutions in the postsecondary enrollment options (PSEO) program.

ARTICLE 4
Supplemental Budget Appropriations

12 Apprenticeship and on-the-job training. This section provides for the implementation of an apprenticeship and on-the-job training program to administer a portion of the Minnesota GI Bill program to pay benefit amounts to eligible applicants. The amount of assistance available for an eligible individual must not exceed: $2,000 per fiscal year for apprenticeship expenses; $2,000 per fiscal year for on-the-job training; $1,000 for a job placement credit payable to an eligible employer after a person receiving assistance under this subdivision has been employed by the eligible employer for at least 12 consecutive months as a full-time employee. No more than $3,000 in aggregate benefits may be paid to or on behalf of an individual in one fiscal year, and no more than $9,000 in aggregate benefits may be paid to or on behalf of an individual overall.

13 Appropriation. This section authorizes the authority to pay the benefit amounts in Section 12 during any fiscal year beginning on or after July 1, 2012.

17 Benchmarking studies; appropriation. This section appropriates $450,000 in fiscal year 2012 to the Department of Administration to contract for a benchmark study resulting in a report on the efficiency and effectiveness of back office functions including: finance, procurement and human resources, including payroll.

21 Minnesota State Colleges and Universities leveraged equipment acquisition; appropriation. This section appropriates one-time funds of $457,000 in fiscal year 2013 to the Board of Trustees of the Minnesota
State Colleges and Universities for leveraged equipment acquisition.

“Equipment” means equipment for instructional purposes for programs that the Board has determined would produce graduates with skills for which there is a high employer need within the state. An equipment acquisition may be made using this appropriation only if matched by cash or in-kind contributions from non-state sources.
OMNIBUS BONDING BILL
H.F. 1752 (Chapter 293)

SUMMARY: The omnibus bonding bill contains language to fund construction of state financed facilities, as well as remodeling and renovation of existing buildings. The 2012 Legislature passed a $496 million (general obligation) capital investment bill, which includes $132 million for the Minnesota State Colleges and Universities system. Of the $132 million, $20 million is included for HEAPR, higher education asset preservation and replacement.

OMNIBUS BONDING BILL

Section Omnibus Bonding Bill

3 Minnesota State Colleges and Universities
Subd. 1. Total Appropriation $132,126,000
Subd. 2. Higher Education Asset Preservation and Replacement $20,000,000
Subd. 3. Anoka-Ramsey Community College, Coon Rapids $980,000
Complete design for the construction of a Bioscience and Allied Health addition and to design, renovate, and equip classrooms and related space.
Subd. 4. Bemidji State University $3,303,000
Abate and demolish Maple Hall and Sanford Hall, and to complete design for the renovation of Decker Hall, Hobson Hall, and Memorial Hall into multiuse classrooms and study spaces, including replacing the HVAC system and constructing an addition to Memorial Hall for better accessibility.
Subd. 5. Century College $5,000,000
Complete design of and to construct, renovate, furnish, and equip classrooms and related spaces.
Subd. 6. Dakota County Technical College $7,230,000
Complete design of and to renovate, furnish, and equip transportation and emerging technologies classrooms, laboratories and related spaces.
Subd. 7. Minnesota State University, Mankato $2,065,000
Design a clinical science building.
Subd. 8. Minneapolis Community and Technical College $13,389,000
Complete design of and to renovate, furnish, and equip instructional space, support space, and infrastructure for workforce programs.
Subd. 9. North Hennepin Community College $26,292,000
Complete design of and to construct, furnish, and equip Bioscience and Health Careers laboratories, classrooms and related spaces.
Subd. 10. Northland Community and Technical College
Design the expansion and renovation of the aviation maintenance facilities.

Subd. 11. Ridgewater College, Willmar
Design, renovate, furnish and equip classroom, student service, instructional lab, and related spaces and to demolish the Administration Building.

Subd. 12. St. Cloud Technical and Community College
Complete the design of, and to construct, renovate, furnish, equip and demolish space for the medium heavy truck and auto body program.

Subd. 13. Saint Paul College
Design the Health and Science Alliance Center addition and to design, renovate, furnish, and equip existing health spaces.

Subd. 14. Minnesota West Community and Technical College, Worthington
Renovate, furnish, and equip existing classroom and lab spaces and to design, construct, furnish and equip a classroom, lab and entryway addition, and replace HVAC systems.

Subd. 15. Northeast Higher Education District – Itasca Community College
Complete the design of and to renovate, furnish, and equip existing instructional and student services spaces, to design, construct, furnish, and equip an addition with multi-purpose classrooms, and to demolish Donovan Hall.

Subd. 16. Rochester Community and Technical College
Complete the design of and to construct, furnish, and equip an addition to the Heintz Center, and to renovate the heating, ventilating and air conditioning systems. The addition will house the Rochester Area Workforce Center.

The Board of Trustees must consult with the Commissioner of Employment and Economic Development on the design of the renovations and additions. The Board must enter into a lease agreement with the Commissioner for use of the work force center. The lease agreement must provide that lease payments made by the Commissioner will pay the college’s reasonable costs in support of the work force center and the debt service required of the board associated with the work force center portion of the project.
Subd. 17. South Central College, Faribault  $13,315,000
Complete design of and to renovate, construct, furnish, and equip classrooms, a learning resource center, and related spaces, and laboratories.

Subd. 18. Southwest Minnesota State University, Marshall  $500,000
Complete design for renovation of the Science and Math building and classroom spaces and an addition to the Plant Science building.

Subd. 19. Science, Technology, Engineering, and Math Initiatives.  $2,500,000
Design, renovate, furnish and equip science laboratories at campuses statewide. Campuses may use internal and non-state funds to increase the size of the projects. This appropriation may be used at the following campuses: Bemidji State University; Century College; Inver Hills Community College; Minnesota State Community and Technical College, Moorhead; Minnesota State University Moorhead; Hibbing Community College; Itasca Community College; Mesabi Range Community and Technical College, Eveleth; and Pine Technical College.

Subd. 20. Debt service. The Board of Trustees is required to pay the debt service on one-third of the principal amount on the projects authorized in this section with the exception of higher education asset preservation and replacement.

Subd. 21. Unspent appropriations. Upon substantial completion of a project authorized in this section, any remaining funding may be used for HEAPR at the same campus as the project for which the original appropriation was made. The Board of Trustees is to report to the Legislature of any such action by February 1 of each even-numbered year.

21  Employment and Economic Development
Subd. 5. Business Development through Capital Project Grants  $47,500,000

28  Report on jobs created or retained. This section requires the Commissioner for the Department of Administration to report to the Legislature on jobs created or retained as a result of capital project funding by the state, whether with state general obligation bond proceeds or other state funding sources, during the previous biennium. Each state agency is to provide the commissioner the necessary information for the report. Information must include, but is not limited to: the number and types of jobs for each project, whether the jobs are new or retained, where the jobs are located, and pay ranges. The Minnesota State Colleges and Universities shall collect and provide the information at the time and in the
matter required by the Commissioner.

32 **Solar energy in state buildings.** A project for the construction or major renovation of a state building, after completion of a cost-benefit analysis, may include the installation of “Made in Minnesota” solar energy systems of 40 kilowatts capacity on, adjacent, or in proximity to the state building. The Commissioner of Administration may exempt a major renovation of a state building from the requirements of this section if the Commissioner finds that the structural soundness or other physical condition of the state building to be renovated makes the installation of a solar energy system infeasible.

33 **Business Development through Capital Projects Grant Program.** This section creates a business development through capital projects account in the bond proceeds fund to be used for capital costs for eligible projects and public infrastructure. Eligible entities include: counties, cities, towns, special districts, public higher education institutions, or other political subdivisions or public corporations. Competitive grants are to be made available for eligible projects and public infrastructure. The eligible entities are to apply to the Commissioner of Administration for a grant, and any amount granted must be matched with at least an equal amount from non-state sources. The projects shall be evaluated and prioritized on the following characteristics:

1. creation of new jobs, retention of existing jobs, or improvements in the quality of existing jobs as measured by the wages, skills, or education associated with those jobs;
2. improvement in the quality of existing jobs, based on increases in wages or improvements in the job duties, training, or education associated with those jobs;
3. increase in the local tax base, based on demonstrated measurable outcomes;
4. demonstration that investment of public dollars in the project will induce private investment;
5. whether the project provides necessary repair or replacement of existing capital assets;
6. whether the project reduces operating expenses of or increases revenue from existing capital asset, thereby offsetting at least a portion of project costs;
7. whether the project provides health or safety benefits;
8. the number of residents served by or who will benefit from the project;
9. demonstration of local support;
10. the capacity of the project to attract revenue from out of state; and
11. objective cost benefit analysis and return on investment.

**Expiration Date.** This section expires June 30, 2016.
St. Cloud State University – National Hockey Center; HEAPR. This section expands the authorized use of state bond appropriations made in the 2008 bonding bill for the National Hockey Center at St. Cloud State University to include HEAPR uses on the St. Cloud State University campus.

Normandale Community College Academic Partnership Center and Student Services. This section modifies the scope of the Academic Partnership Center and Student Services project funded in the 2011 bonding bill to align with the intended project description.

NHED Mesabi Range Community and Technical College, Virginia Iron Range Engineering Program Facilities. This section modifies the scope of the Iron Range Engineering Program Facilities project funded in the 2011 bonding bill to align with the intended project description.

Effective Date. Except as otherwise provided, this bill is effective the day following final enactment.
REVISOR’S BILL
S.F. 1420 (Chapter 298)

SUMMARY: The revisor’s bill fixes errors enacted in other legislation. The language on solar energy in state buildings below was included in 2012 Session Laws Chapter 293, the omnibus bonding bill.

Section                    Revisor’s Bill

6  Solar energy in state buildings. This section deletes the following language from 2012 H.F. 1752, Sec. 32:
   (d) The commissioner may exempt a major renovation of a state building from the requirements of this section if the commissioner finds that the structural soundness or other physical condition of the state building to be renovated makes the installation of a solar energy system infeasible.
   (e) The commissioner may exempt appropriations for construction or major renovation of a state building authorized before June 30, 2012, from the requirements of this section if the commissioner determines that the installation of a solar energy system would require the redesign of program space or major building systems, but in no event shall more than 20 percent of the applicable projects be exempted under this paragraph.