AGENDA
PINE COUNTY BOARD MEETING

District 1	Commissioner Hallan
District 2	Commissioner Pangerl
District 3	Commissioner Chaffee
District 4	Commissioner Rossow
District 5	Commissioner Ludwig

Tuesday, June 3, 2014, 1:00 p.m.
Public Health Building, Sandstone, Minnesota

A) Call meeting to order

B) Pledge of Allegiance

C) Public Forum. Members of the public are invited to speak on items not on the agenda. Each speaker should state his/her name and limit comments to three (3) minutes.

D) Adopt Agenda

E) Approve Minutes of May 20, 2014 County Board Meeting and Summary for publication.

F) Minutes of Boards, Committees and Correspondence
Pine County Land Surveyor Monthly Report – May 2014
Pine County Soil & Water Conservation District board meeting – May 8, 2014

G) Approve Consent Items

CONSENT AGENDA

The consent agenda is voted on without any discussion. Any commissioner may request an item be removed and added to the regular agenda.

1. **May, 2014 Disbursements**
Disbursements Journal Report, May 1, 2014 – May 31, 2014.

2. **Application for Abatement**:
Consider application for abatement for Dale Kraft, 47956 Oak Leaf Rd., Sturgeon Lake, PID 16.0209.000, pay 2014.

3. **Application for Exempt Permit**
Consider Application for Exempt Permit for the Moose Lake Area Chamber of Commerce to conduct Minnesota lawful gambling at the Moose Lake Golf Course, 35311 Parkview Dr., Sturgeon Lake, on October 17, 2014 (Windemere Twp.).

4. **Resolution for Repurchase of Tax Forfeited Land**
Consider approval of Resolutions 2014-21, 2014-22, 2014-23 for Repurchase of Tax Forfeited Lands with a 10-year contract for Gene and Gloria Perry, PIDs 04.0037.000, 04.0038.000, and 04.0043.000, and authorize Board Chair and County Auditor to sign.

5. **Minnesota Pollution Control Agency (MPCA) Groundwater Monitoring Well**
Consider approval of MPCA to install a groundwater monitoring well on county tax-forfeited property in Sec. 12, Twp. 41, Rge. 19 and authorize Land Commissioner Greg Beck to sign MPCA Property Access Agreement with Pine County.

6. **Personnel (Full-Time Status/Completion of Probationary Period)**
Consider approval for full time status for Registered Nurse Karen Engh, effective June 9, 2014.

REGULAR AGENDA

1. **State of Minnesota Grant Contract - PRISM**
Consider approval of the $3,529.41 State of Minnesota grant contract to assist with the county's computer programming costs to be in compliance with the Property Record Information System of Minnesota (PRISM). Authorize Board Chair to sign.

2. **Initiative Foundation – Economic Development Planning Grant**
Consider approval of the Initiative Foundation Grant Agreement in the amount of $5,000. A matching fund from Pine County in the amount of $5,000 is required.

3. **Elected Official-Elect Training**
Consider approval of Resolution 2014-24 for training for County Commissioners-Elect, County Attorney-Elect, County Auditor-Elect and County Sheriff-Elect to attend training at the expense of Pine County.

4. **Contract #1403 Bid Proposal**
Bids were opened on May 27, 2014 and additional information will be presented.

5. **Coalition Against Bigger Trucks**
Discussion of possible federal legislation.

6. **2014 Legislative Update**
Discussion.

7. **Committee of the Whole Topics and Schedule**
Discussion.

8. **Commissioner Updates**
Arrowhead Counties Association
Snake River Watershed Joint Powers Board - cancelled
NE Regional Radio Board Meeting
NLX – cancelled
Central Regional EMS Committee
Other

9. **Other**

10. **Upcoming Meetings (Subject to Change)**
    a. **Pine County Board Meeting, Tuesday, June 3, 2014, 1:00 p.m.,** Public Health Building, Sandstone, Minnesota.
    b. **Facility Committee, Wednesday, June 4, 2014, 9:00 a.m.,** Commissioners' Conference Room, Courthouse, Pine City, Minnesota.

c. **Health & Human Service Advisory Committee, Wednesday, June 4, 2014, 3:00 p.m.,** Public Health Building, Sandstone, Minnesota.
d. **Soil & Water Conservation District, Thursday, June 5, 2014, 4:00 p.m.,** Public Health Building, Sandstone, Minnesota.
e. **East Central Solid Waste Commission (ECSWC), Monday, June 9, 2014, 9:00 a.m.,** 1756 180th, Mora, Minnesota.
f. **East Central Regional Library Board, Monday, June 9, 2014, 9:30 a.m.,** Cambridge Library, 244 So. Birch street, Cambridge, Minnesota.
g. **Personnel Meeting, Tuesday, June 10, 2014, 9:00 a.m.,** Commissioners' Conference Room, Courthouse, Pine City, Minnesota.
h. **Central MN Jobs and Training, Friday, June 13, 2014, 12:15 p.m.,** WorkForce Center, 406 E. 7th St., Monticello, Minnesota.
i. **Technology Committee, Tuesday, June 17, 2014, 8:30 a.m.,** Commissioners' Conference Room, Courthouse, Pine City, Minnesota.
j. **Pine County Board Meeting, Tuesday, June 17, 2014, 10:00 a.m.,** Boardroom, Pine County Courthouse, Pine City, Minnesota.
k. **Pine County Health and Human Services Meeting, Tuesday, June 17, 2014, 1:00 p.m.,** Boardroom, Pine County Courthouse, Pine City, Minnesota.
l. **East Central Regional Development Commission, regular & annual meeting, Monday, June 23, 2014, 7:00 p.m.,** 100 Park St. So., Mora, Minnesota.
m. **NLX, Wednesday, June 25, 2014, 10:00 a.m.,** Board Room, Courthouse, Pine City, Minnesota.
n. **Pine County Law Library, Wednesday, June 25, 2014, 12:00 p.m.,** 2nd Floor of Pine County Courthouse, Pine City, Minnesota.
o. **NE Regional Radio Board Meeting, Thursday, June 26, 2014, 10:00 a.m.,** Video Conference, Courthouse, Pine City, Minnesota.
p. **GPS 45:93, Friday, June 27, 2014,** Sandstone City Hall, 119 4th Street, Sandstone, Minnesota.

11. <u>Adjourn</u>

MINUTES OF PINE COUNTY BOARD MEETING
Regular Meeting
Tuesday, May 20, 2014, 10:00 a.m.
Board Room, Pine County Courthouse, Pine City, Minnesota

Chair Rossow called the meeting to order at 10:00 a.m. Present were Commissioners Steve Hallan, Mitch Pangerl, Steve Chaffee, and Matt Ludwig. Also present were County Attorney John Carlson and County Administrator David Minke.

The Pledge of Allegiance was said.

Chair Rossow called for public comment. There was no public comment.

Chair Rossow requested the following revisions to the Agenda:
Regular Agenda:
Additional information for Item #5: Contract #1402
Additional Information for Item #6: Hazard Mitigation Grant
Add: 6A. Receipt of $1,819.27 from Onanegozie RC&D
Add to Other – Request by Commissioner Pangerl for discussion of AMC conference for commissioners-elect.

Commissioner Ludwig moved to approve the amended Agenda. Second by Commissioner Hallan. Motion carried 5-0.

Commissioner Chaffee moved to approve the Minutes of the May 6, 2014 County Board Meeting and Summary for publication. Second by Commissioner Ludwig. Motion carried 5-0.

Minutes of Boards, Committees and Correspondence
ECRL Library Board Minutes – March 10, 2014
ECRL Library Board Minutes – April 14, 2014
Commissioner Chaffee moved to acknowledge the Minutes of Boards, Committees and Correspondence. Second by Commissioner Pangerl. Motion carried 5-0.

Commissioner Hallan moved to approve the Consent Agenda. Second by Commissioner Ludwig. Motion carried 5-0.

CONSENT AGENDA

1. **April, 2014 Cash Balance**
Approve:

Fund	April 30, 2013	April 30, 2014	Increase(Decrease)
General Fund	(1,098,096.81)	(1,775,691.57)	(677,594.76)
Health and Human Services Fund	833,714.10	(372,867.61)	(1,206,581.71)
Road and Bridge Fund	5,559,148.29	2,603,068.50	(2,956,079.79)
Land Management Fund	1,631,927.33	1,973,213.04	341,285.71
TOTAL (inc non-major funds)	10,248,547.10	5,886,555.91	(4,361,991.19)

2. **Repurchase of Tax Forfeited Land**
Approve Resolution 2014-20 for Repurchase of Tax Forfeited Land in full, Douglas D. Psyk, PID 33.5558.000 and authorize Board Chair and County Auditor to sign.

3. **Temporary Liquor License**
Approve temporary liquor license for the Rock Creek Lions Club for an event to be held August 29, 30, 31 and September 1, 2014, Heidelberger Arena, 3923 State Hwy. 70, Pine City. Subject to approval of the Pine County Sheriff.

4. **Premises Permit Application**
Approve premises permit application for the Moose Lake Area Hockey Association to conduct Minnesota lawful gambling at Doc's Sports Bar & Grill, Inc., 34427 Majestic Pine Drive, Sturgeon Lake (Windemere Township).

5. **Police Officer Declaration – PERA**
Approve Resolution 2014-19, Public Employees Retirement Association Police Officer Declaration for deputy sheriff Aaron Kampa. This declares that Aaron Kampa has met all of the requirements of the Police and Fire Plan membership requirements from his date of hire; authorize Board Chair to sign Resolution 2014-19.

6. **Personnel (Full-Time Status/Completion of Probationary Period)**
Approve full-time status for Registered Nurse Mickey VanVleet, effective May 21, 2014.

7. **Training**
   A. Approve Michelle Kelash, HHS accounting, to attend the Association of MN Social Service Accountants (AMSSA) Annual Conference, June 22–24, 2014, Grand Rapids. Includes Sunday night lodging for region set up, secretarial duties and conference attendance. Registration $50; accommodations, $563.19; travel $126; total cost: $739.19.
   B. Approve County Auditor-Treasurer Cathy Clemmer to attend the MN Association of County Auditor, Treasurer & Finance Officers (MACATFO) 2014 Summer Conference at Ruttger's Bay Lodge, Deerwood, June 25-26, 2014. Registration $25; accommodations $365.73; total cost: $390.73.

REGULAR AGENDA

1. **Facilities Committee**
Pine County Facilities Committee met May 7, 2014. Informational only, no board action necessary. Commissioner Pangerl stated that the tuckpointing at the Pine Government Center is ongoing.

2. **Personnel Committee**
Pine County Personnel Committee met May 13, 2014 and made the following recommendations:
Health & Human Services:
Approve the hiring of one (1) child protection social worker.
Jail:
   i. Approve Court Security Officer Aileen Butler $0.52 performance increase from $13.07 to $13.59, effective May 23, 2014 (anniversary date).
   ii. Approve Court Security Officer Steve Olson $0.61 performance increase from $15.14 to $15.75, effective January 4, 2014 (anniversary date).

iii. Approve Jail Administrator Rick Boland $1.00 performance increase from $33.38 to $34.38, effective June 2, 2014 (anniversary date).

Administrator:

Approve Land Services Director Kelly Schroeder $1.57 performance increase from $34.49 to $36.06, effective May 21, 2014 (anniversary date).

Commissioner Chaffee provided an overview of the personnel committee meeting stating the hiring of a child protection social worker is to back fill a vacancy.

Motion by Commissioner Chaffee to approve the recommendations of the Personnel Committee. Second by Commissioner Rossow. Motion carried 5-0.

Other items are for informational purposes only.

3. **EMS Proclamation**

Joe Newton, Director of Ambulance Services, Essentia Health – Sandstone provided information relating to Emergency Medical Services Week and acknowledged the essential work provided by first responders. Newton recognized Askov First Responder Misi Gangl and Pine First Responder Jeff Espeseth for their long-time service and dedication, presenting Gangl with a Certificate of Recognition. Espeseth was unable to be in attendance, his Certificate of Recognition will be mailed.

Motion by Commissioner Ludwig to approve Resolution 2014-18 to designate the week of May 18-24, 2014 as Emergency Medical Services Week. Second by Commissioner Hallan. Motion carried 5-0.

4. **Timber Auction**

County Auditor-Treasurer Cathy Clemmer provided an update to the 2014 Pine County Land Department Timber Auction. Eleven thousand two hundred twenty-nine cords of wood was sold, for a total amount of $466,842.95. Chair Rossow thanked the Land Department and Clemmer for their hard work.

5. **Award Bid for Contract #1402**

County Engineer Mark LeBrun stated bid opening for Contract #1402 occurred May 19, 2014 and recommended the contract be awarded to the low responsible bidder, Knife River Corporation.

Contract #1402 includes:

CP 058-014-001 – Located on Golf Course Road and Par Circle, Pine City Township;

SAP 058-661-024 – Located on CSAH 61 between south limits of Pine City and CSAH 7.

The Knife River Corporation bid came in 4% over the engineer's estimate.

Motion by Commissioner Chaffee to award the bid for Contract #1402 to Knife River Corporation in the amount of $1,296,558.43. Second by Commissioner Hallan. Motion carried 5-0.

6. **Hazard Mitigation Grant Update**

Auditor-Treasurer Cathy Clemmer stated the county received a $4,106,484 grant from the State of Minnesota to provide FEMA funds to acquire 32 flood damaged homes in Pine County.; On March 4, 2014 the county received the first half of the grant contract ($2,053,242). Pine County has spent all but $192,299.88 of this grant, and has now received the amended grant contract for the second half of the funds in the amount of $2,053,242.

Motion by Commissioner Hallan to approve Amendment No. 1 to Grant Contract No. 3-25726 with the State of Minnesota (HSEM) in the amount of $2,053,242 and authorize Board Chair and County Administrator to sign. Second by Commissioner Ludwig. Motion carried 5-0.

6A. Onanegozie RC&D

Chair Rossow acknowledged receipt of $1,819.27 from the dissolution of the Onanegozie RC&D, stating the monies had been divided equally between the six counties and six soil and water districts. Rossow stated $100 was held back for possible unforeseen expenses. Any of the $100 that is unused will be donated to the Initiative Foundation.

Motion by Commissioner Ludwig to accept the $1,819.27 and place these monies into the economic development department in the General Fund. Second by Commissioner Hallan. Motion carried 5-0.

7. Commissioner Updates

Soil & Water Conservation District Meeting: Commissioner Ludwig stated 25,500 trees were sold; Soil & Water is looking into hiring a part-time forester to work in the blowdown area.

East Central Solid Waste Commission Meeting: Commissioner Hallan stated contracts with haulers allow for cost-of-living increases, ECSWC has exercised that option; the expansion is proceeding to open new cell.

East Central Regional Library Board Meeting: Commissioner Chaffee commented on a resolution to petition the legislation to increase library funding and look at the formula; audit report stated the library board is $400,000 under budget.

Rush Line Corridor Task Force meeting – cancelled

Lakes & Pines CAC Meeting: Chair Rossow stated many items discussed -- approved income tax submission grant, accepted HUD financing, energy heating assistance.

8. Other

Commissioner Pangerl requested inclusion in the Pine County Policies and Procedures handbook for the attendance of a commissioner-elect to the AMC Annual Conference, with registration, lodging and travel expenses paid by the county. Discussion was held, with Commissioner Hallan stating his support. Commissioner Pangerl stated he felt that the information provided at the conference was very educational and beneficial to a commissioner-elect. County Attorney John Carlson stated this topic has been researched before.

Motion by Commissioner Pangerl to add a policy to the Pine County Policies and Procedures Handbook to include commissioner-elect attendance at the Association of Minnesota Counties (AMC) annual conference with registration, lodging and travel expense paid by the county. Staff to write a policy and bring it back to the board. Second by Commissioner Hallan. Motion carried 5-0.

Commissioner Hallan inquired what happened with counties in the last legislative conference for property tax relief. Administrator Minke will prepare a summary to provide to Commissioners. County Attorney Carlson said he has information as well that will be provided to Commissioners.

9. Upcoming Meetings

Upcoming meetings were reviewed.

Addition: Government Operations Committee meeting to commence immediately after the adjournment of the May 20, 2014 county board meeting.

Addition: District 1 Spring Meeting, June 13, 2014, Grand Marais, Minnesota

10. Adjourn

With no further business, Chair Rossow adjourned the county board meeting at 10:38 a.m. The next regular meeting of the county board is scheduled for June 3, 2014 at 1:00 p.m. at the Public Health Building, Sandstone, Minnesota.

Curt H. Rossow, Chair Board of Commissioners	David J. Minke, Administrator Clerk to County Board

SUMMARY
OF
MINUTES OF PINE COUNTY BOARD MEETING
Regular Meeting
Tuesday, May 20, 2014, 10:00 a.m.
Board Room, Pine County Courthouse, Pine City, Minnesota

Chair Rossow called the meeting to order at 10:00 a.m. Present were Commissioners Steve Hallan, Mitch Pangerl, Steve Chaffee, and Matt Ludwig. Also present were County Attorney John Carlson and County Administrator David Minke.

The Pledge of Allegiance was said.

Chair Rossow called for public comment. There was no public comment.

Commissioner Ludwig moved to approve the amended Agenda. Second by Commissioner Hallan. Motion carried 5-0.

Commissioner Chaffee moved to approve the Minutes of the May 6, 2014 County Board Meeting and Summary for publication. Second by Commissioner Ludwig. Motion carried 5-0.

Minutes of Boards, Committees and Correspondence
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ECRL Library Board Minutes – April 14, 2014
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Commissioner Hallan moved to approve the Consent Agenda. Second by Commissioner Ludwig. Motion carried 5-0.

Approve:

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Approve temporary liquor license for the Rock Creek Lions Club for an event to be held August 29, 30, 31 and September 1, 2014, Heidelberger Arena, 3923 State Hwy. 70, Pine City. Subject to approval of the Pine County Sheriff.

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Approve Resolution 2014-19, Public Employees Retirement Association Police Officer Declaration for deputy sheriff Aaron Kampa.

Approve full-time status for Registered Nurse Mickey VanVleet, effective May 21, 2014.

Approve Michelle Kelash, HHS accounting, to attend the Association of MN Social Service Accountants (AMSSA) Annual Conference. Total cost: $739.

Approve County Auditor-Treasurer Cathy Clemmer to attend the MN Association of County Auditor, Treasurer & Finance Officers (MACATFO) 2014 Summer Conference. Total cost: $391.

Pine County Personnel Committee met May 13, 2014 and made the following recommendations:

Health & Human Services:

Approve the hiring of one (1) child protection social worker.

Jail:

i. Approve Court Security Officer Aileen Butler $0.52 performance increase from $13.07 to $13.59, effective May 23, 2014 (anniversary date).

ii. Approve Court Security Officer Steve Olson $0.61 performance increase from $15.14 to $15.75, effective January 4, 2014 (anniversary date).

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Commissioner Chaffee provided an overview of the personnel committee meeting stating the hiring of a child protection social worker is to back fill a vacancy.

Motion by Commissioner Chaffee to approve the recommendations of the Personnel Committee. Second by Commissioner Rossow. Motion carried 5-0.

Motion by Commissioner Ludwig to approve Resolution 2014-18 to designate the week of May 18-24, 2014 as Emergency Medical Services Week. Second by Commissioner Hallan. Motion carried 5-0.

Motion by Commissioner Chaffee to award the bid for Contract #1402 to Knife River Corporation in the amount of $1,296,558.43. Second by Commissioner Hallan. Motion carried 5-0.

Motion by Commissioner Hallan to approve Amendment No. 1 to Grant Contract No. 3-25726 with the State of Minnesota (HSEM) in the amount of $2,053,242. Second by Commissioner Ludwig. Motion carried 5-0.

Motion by Commissioner Ludwig to accept the $1,819.27 and place these monies into the economic development department in the General Fund. Second by Commissioner Hallan. Motion carried 5-0.

Motion by Commissioner Pangerl to add a policy to the Pine County Policies and Procedures Handbook to include commissioner-elect attendance at the Association of Minnesota Counties (AMC) annual conference with registration, lodging and travel expense paid by the county. Staff to write a policy and bring it back to the board. Second by Commissioner Hallan. Motion carried 5-0.

With no further business, Chair Rossow adjourned the county board meeting at 10:38 a.m. The next regular meeting of the county board is scheduled for June 3, 2014 at 1:00 p.m. at the Public Health Building, Sandstone, Minnesota.

Curt H. Rossow, Chair Board of Commissioners	David J. Minke, Administrator Clerk to County Board

The full text of the board's Minutes are available at the County Administrator's Office and the county's website (www.co.pine.mn.us). Copies may also be requested from the Administrator's Office.

PINE COUNTY PUBLIC WORKS

HIGHWAY DEPARTMENT
405 Airport Road NE
Pine City, MN 55063

Telephone 320-216-4200
Fax: 320-629-6736
1-800-450-7463 Ext. 4200

Mark A. LeBrun, P.E.
County Engineer

Pine County Land Surveyor Monthly Report

May 2014

CSAH 17 T41N R21W Section 15, set GPS control, tie out and GPS PLSS corners.

Southfork Road T41N R21W Section 17, search for, set, tie out and GPS PLSS corners and private corners, update files.

CSAH 32 T43N R18W, set GPS control, verify GLO topo calls, compute PLSS corner search areas, set and GPS PLSS temporary corners, update files.

CSAH 22 T43N R18W, set GPS control, verify GLO topo calls, compute PLSS corner search areas, set and GPS PLSS temporary corners, update files.

T43N R16W Section 24, search for, set, tie out and GPS PLSS corners, update files.

CSAH 23 T38N R21W Sections 19, 30 and 31, tie out PLSS corners, update files.

Hay Creek Road, T43N R16W Section 34, search for, set, tie out and GPS PLSS corners and private corners, update files.

Provide HARN coordinate data for GIS to County Recorder as needed.

Review legal descriptions for County ROW Dept. and County Land Dept. as needed.

Review Plats and Minor Subdivisions for County Zoning Dept. as needed.

Review and file PLSS corner certificates provided by private surveyors as needed.

Review, edit and file Certificates of Survey created by County Surveyor as needed.

Robin T. Mathews, Pine County Surveyor

Monthly Report May 2014.doc

Pine County
Soil & Water
CONSERVATION DISTRICT

BOARD MEETING MINUTES
May 8, 2014

The Pine County Soil and Water Conservation District Board of Supervisors held their monthly meeting on Thursday, May 8, 2014.

Members Present:
Doug Odegard
Skip Thomson
Tom Swaim
Jerry Telker

Others Present:
Jill Carlier, District Manager
Sam Martin, Water Management Specialist
Robin Poppe, Wetland Specialist
Julie Salmon, NRCS DC

Members Absent: Joe Luedtke

CALL TO ORDER: Thomson called the meeting to order at 4:00 p.m.

PUBLIC COMMENT: Don Slama talked about the new farm bill and a provision in it about pollinators.

APPROVAL OF AGENDA:
Motion by Telker, seconded by Swaim to approve the agenda.
Motion carried

APRIL MINUTES:
Motion by Swaim, seconded by Odegard to approve the April minutes.
Motion carried

APRIL FINANCIAL STATEMENTS AND PAYMENTS OF BILLS:
Motion by Odegard, seconded by Telker to approve the April financials and payment of bills.
Motion carried

STAFF/SUPERVISOR REPORTS:

Wetlands & Grants:
No WCA issues for approval.
No grant issues for discussion.

Water Management:
- Martin attended a Nature Conservancy easement informational meeting.
- Completed the windshield survey for Rock Creek TMDL land use survey.
- Completed the BBR for 2016-2017.

Forestry:
- Telker stated the meeting will be held next week.

ECRL:
- The meeting will be May 23rd.

TSA III
- No meeting in April. The next meeting will be in June. They will be interviewing and hiring an engineer.

Snake River Citizen Advisory Committee:
- Talked about One Watershed One Plan project, as well as McVay Farms.

Exploratory/Personnel/ Policy/Budget
- No meetings in April.

Trees
- Distribution is done. We are wrapping things up and hope to be out of the shed by the end of this week.
- There was an issue with our trees in the county shed, but Carlier is handling it.

Envirothon

- Event was Monday, May 5th. 48 teams registered, 43 teams participated.

Newsletter:

- Nothing at this time.

DISTRICT CONSERVATIONIST REPORT:
EQIP is ongoing. They have 16 applications at this time. Salmon is working on creating a group of women's woodlands owners in Pine and Carlton counties. Bartsch and Salmon both assisted with the Area III Envirothon. Dave Copeland's replacement has been chosen – Steve Cole will be taking over sometime in June.

FORESTRY GRANT DISCUSSION:
Carlier sent out information to the board on some ideas for grant application information to get a forestry program started in Pine County. Thomson stated he thinks we should go after 4 separate grants. The group discussed the grant ideas, demand, grant options, and how to get the program up and running. The exploratory committee will meet with several forestry people to try to get things moving. Ryan Hughes from BWSR gave us a few names of people that could help us with the process.

Poppe, Martin and Salmon left the meeting.

FLOOD RELIEF GRANT UPDATE:
Carlier stated the buy-out process is still going on.

BWSR VERIFICATION AUDIT:
Carlier stated the audit was held on April 22nd. Ryan Hughes from BWSR was present during the audit. Neither Carlier or Hughes had been though an audit like this, so neither knew what to expect. Carlier will get some additional information to the auditors as soon as she gets time. The auditors will send their reports to the county.

STATE COST SHARE:
Nothing this month.

CLEAN WATER GRANTS:
Nothing this month.

AREA III RESOLUTION MEETING:
Information about the Area III Resolution meeting was in the board pack. The meeting will be Wednesday June 4th at the Carlton Transporation building. Carlier will go to give an Envirothon report.
Motion by Swaim, seconded by Odegard to approve sending Carlier, Odegard, Thomson and Swaim to the Area III Resolution meeting in Carlton on June 4th.

Motion carried.

MISC ITEMS:

- Matt Ludwig stated there is a bill in the legislature talking about taking the invasive species portion away from the DNR and giving it to the counties.
- Ron Shelito stated Lynda Peterson has been hired to replace Joan Weyendt doing WCA for BWSR in Duluth. She will be starting in a week or two.

NEXT MEETING DATE & TIME:
The next district board meeting will be held on Thursday, June 5, 2014 at **4:00 p.m**.

ADJOURNMENT:
The meeting adjourned at 5:17 p.m.

Respectfully submitted,

Joe Luedtke, Secretary

PINE COUNTY REQUEST FOR BOARD ACTION

Requested Board Date: June 3, 2014	Consent Agenda *(Please Circle)* Regular Agenda Estimated Time: *(Please Circle)* _____ 10 Min. 15 Min. Time needed 30 Min. 45 Min. 1 hour
Department Requesting Action: **Auditor/Treasurer**	Cathy Clemmons 5-27-14 Department Head Signature Date

Item for Discussion:

May, 2014 Disbursements

Board Action Requested: (Attach additional pages if needed)

Supporting Documents: Attached None

DISBURSEMENTS JOURNAL REPORT Specific Dates: 05/01/2014 - 05/31/2014

RECAP BY FUND	FUND	AMOUNT	NAME
	1	1,856,629.60	GENERAL REVENUE FUND
	13	120,341.07	ROAD & BRIDGE FUND
	20	750.00	COUNTY-WIDE REHAB (SR) FUND
	22	1,153.38	LAND MANAGEMENT FUND
	76	249,850.30	GROUP HEALTH INS FUND 5/1/95 (GEN)
	80	11,684.70	COUNTY COLLECTIONS AGENCY FUND
	82	4,556,069.12	TAXES AND PENALTIES AGENCY FUND
	84	608.00	EAST CENTRAL DRUG TASK FORCE AGENCY F
		6,797,086.17	Total Disbursements

RECAP BY TYPE	TYPE	AMOUNT	NAME
	1	6,817,729.65	AUD
	3	20,643.48-	MVC
		6,797,086.17	Total Disbursements

Copyright 2010 Integrated Financial Systems

PINE COUNTY REQUEST FOR BOARD ACTION

Requested Board Date: June 3, 2014	Consent Agenda *(Please Circle)* Regular Agenda Estimated Time: *(Please Circle)* _____ 10 Min. 15 Min. Time needed 30 Min. 45 Min. 1 hour
Department Requesting Action: **Auditor/Treasurer**	Cathy Clemmer 5-27-14 Department Head Signature Date

Item for Discussion:

Application for Abatement –
Dale Kraft, 47956 Oak Leaf Rd, Sturgeon Lake, PID 16.0209.000, pay 2014

Board Action Requested: (Attach additional pages if needed)

Supporting Documents: Attached None

APPLICATION FOR ABATEMENT - GENERAL FORM

(M.S. 375.192)

DATE: 5/19/14

For Taxes Levied In: 2013
And Payable In: 2014

Abatement # AB14-10

Please Print Or Type

Applicants Name:	Dale Kraft, Trustee	Applicants Mailing Address:
Applicant's SSN:	n/a	5918 Helm Rd
Telephone (Home):		Duluth, MN 55811
Telephone (Work):		

Description Of Property:
Property ID or Parcel Number: 16.0209.000
Street Address: 47956 Oak Leaf Rd - Sturgeon Lake
Township/City: Kerrick Twp.
School District: 97

Legal Description: NE/4 SE/4, NW/4 NE/4, NW/4 SE/4 N/2 SW/4 & SW/4 SW/4 Less Northerly 1250' of Easterly 348' of NE/4 NE/4 Section 20, Township 45, range 18

ASSESSOR'S ESTIMATED MARKET VALUE:

Land: 465,300 Structures: 36,100 Total: 501,400 Classification: 106-1-100 111-0-700

Applicants Statement of Facts:

The 80 acres that is enrolled in the sustainable forest incentive act should still be homestead since it is still part of the ag-homestead.

Applicants Request:

recalculated taxes on the 80 acres as homestead.

Applicant's Signature: KS Administrative Abatement.

NOTE: Minnesota Statutes 1988, Section 609.41, "Whoever, in making any statement, oral or written, which is required or authorized by law to be made as a basis of imposing, reducing, or abating any tax or assessment, intentionally makes any statement as to any material matter which the maker of the statement knows is false may be sentenced, unless otherwise provided by law, to imprisonment for not more than one year or to payment of a fine of not more than $3,000, or both."

PINE COUNTY REQUEST FOR BOARD ACTION

Requested Board Date: June 3, 2014	Consent Agenda *(Please Circle)* Regular Agenda Estimated Time: *(Please Circle)* _____ 10 Min. 15 Min. Time needed 30 Min. 45 Min. 1 hour
Department Requesting Action: **Auditor/Treasurer**	Cathy Clemmer 5-27-14 Department Head Signature Date

Item for Discussion:

Application for Exempt Permit for the Moose Lake Area Chamber of Commerce to conduct Minnesota lawful gambling at the Moose Lake Golf Course, 35311 Parkview Dr, Sturgeon Lake on October 17, 2014 (Windemere Twp).

Board Action Requested: (Attach additional pages if needed)

Supporting Documents: Attached None

LG220 Application for Exempt Permit

An exempt permit may be issued to a nonprofit organization that:
- conducts lawful gambling on five or fewer days, and
- awards less than $50,000 in prizes during a calendar year.

If total prize value for the year will be $1,500 or less, contact the licensing specialist assigned to your county.

Application fee (non refundable)

If application is postmarked or received 30 days or more before the event **$50**; otherwise **$100**.

ORGANIZATION INFORMATION

Organization name: Moose Lake Area Chamber of Commerce

Previous gambling permit number: X-32644-13-005

Minnesota tax ID number, if any: 2731672

Federal employer ID number (FEIN), if any: 41-1478683

Type of nonprofit organization. Check one.

_____ Fraternal _____Religious _____Veterans X_____Other nonprofit organization

Mailing address	City	State	Zip code	County
PO Box 110	Moose Lake	MN	55767	Carlton

Name of chief executive officer [CEO]	Daytime phone number	E-mail address
Amy Perrine, President	(218) 372-3767	amy.l.perrine@gmail.com

NONPROFIT STATUS

Attach a copy of ONE of the following for proof of nonprofit status.

_____ **Nonprofit Articles of Incorporation OR a current Certificate of Good Standing.**
Don't have a copy? This certificate must be obtained each year from:
Secretary of State, Business Services Div., 60 Empire Drive, Suite 100, St. Paul, MN 55103
Phone: 651-296-2803

X_____ **IRS income tax exemption [501(c)] letter in your organization's name.**
Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS at 877-829-5500.

_____ **IRS - Affiliate of national, statewide, or international parent nonprofit organization [charter]**
If your organization falls under a parent organization, attach copies of **both** of the following:
a. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and
b. the charter or letter from your parent organization recognizing your organization as a subordinate.

GAMBLING PREMISES INFORMATION

Name of premises where the gambling event will be conducted. For raffles, list the site where the drawing will take place.
Moose Lake Golf Course

Address [do not use PO box]	City or township	Zip code	County
35311 Parkview Drive	Windemere	55783	Pine

Date[s] of activity. For raffles, indicate the date of the drawing.
October 17, 2014

Check each type of gambling activity that your organization will conduct.

___Bingo*X___Raffle [**total value of raffle prizes awarded for year $**4250.00] ___Paddlewheels* ___Pull-tabs* ___Tipboards*

***Gambling equipment** for bingo paper, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo.

To find a licensed distributor, go to ***www.gcb.state.mn.us*** and click on ***Distributors*** under the ***WHO'S WHO? LIST OF LICENSEES***, or call 651-539-1900.

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT

CITY APPROVAL for a gambling premises located within city limits

____The application is acknowledged with no waiting period.

____The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days [60 days for a 1st class city].

____The application is denied.

Print city name _____

Signature of city personnel

_____

Title _____ Date_____

Local unit of government must sign

COUNTY APPROVAL for a gambling premises located in a township

____The application is acknowledged with no waiting period.

____The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days.

____The application is denied.

Print county name _____

Signature of county personnel

_____

Title _____ Date_____

TOWNSHIP. If required by the county.
On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits.
[A township has no statutory authority to approve or deny an application, per Minnesota Statutes 349.166.]

Print township name _____

Signature of township officer _____

Title _____ Date _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the event date.

Chief executive officer's signature Amy L Lerrino Date 5/13/14

Print name _____

REQUIREMENTS

Complete a separate application for:

- all gambling conducted on two or more consecutive days, or
- all gambling conducted on one day.
  Only one application is required if one or more raffle drawings are conducted on the same day

Send application with:

___ a copy of your proof of nonprofit status, and
___ application fee (non refundable). Make check payable to "State of Minnesota."

To: Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113

Financial report and recordkeeping required
A financial report form and instructions will be sent with your permit, or use the online fill-in form available at www.gcb.state.mn.us.

Within 30 days of the event date, complete and return the financial report form to the Gambling Control Board.

Questions?
Call the Licensing Section of the Gambling Control Board at 651-539-1900.

This form will be made available in alternative format (i.e. large print, Braille) upon request.

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to: Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

PINE COUNTY REQUEST FOR

BOARD ACTION

Requested Board Date: June 3, 2014	Consent Agenda *(Please Circle)* Regular Agenda Estimated Time: *(Please Circle)* 10 Min. 15 Min. Time needed 30 Min. 45 Min. 1 hour
Department Requesting Action: **AUDITOR**	Cathy Clemmer 5-29-14 Department Head Signature Date

Item for Discussion: (one form per item)

Approve Resolution for Repurchase of Tax Forfeited land (3 parcels) with a 10 year contract for Gene and Gloria Perry

Board Action Requested: (Attach additional pages if needed)

Approve Resolution.

Supporting Documents: **Attached** None

RESOLUTION 2014-21

WHEREAS, Gene and Gloria Perry, the former owner, has made and filed an application with the County Auditor for the repurchase of the hereinafter described parcel of tax forfeited land, in accordance with the provisions of Minnesota Statutes 1945, Section 282.241, as amended, which land is situated in the County of Pine, Minnesota, and described as follows, to-wit:

Northeast Quarter of Northwest Quarter (NE1/4 of NW1/4) Section Five (5), Township Forty-five (45), Range Twenty-one (21). Parcel 04.0037.000

and WHEREAS, said applicant has submitted the required application for repurchase to the Pine County Auditor:

and

and WHEREAS, this Board is of the opinion that said application should be granted for such reasons,

NOW THEREFORE BE IT RESOLVED, that the application of Gene and Gloria Perry, for the repurchase of the above described parcel of tax forfeited land be and the same is hereby granted and the County Auditor is hereby authorized and directed to permit such repurchase according to the provisions of Minnesota Statutes 1945, Section 282.241, as amended.

Dated at Sandstone, Minnesota, this 3rd day in June, 2014.

Attest:

_____
Chairman, Board of County Commissioners
Pine County, Minnesota

_____
County Auditor

RESOLUTION 2014-22

WHEREAS, Gene and Gloria Perry, the former owner, has made and filed an application with the County Auditor for the repurchase of the hereinafter described parcel of tax forfeited land, in accordance with the provisions of Minnesota Statutes 1945, Section 282.241, as amended, which land is situated in the County of Pine, Minnesota, and described as follows, to-wit:

Northwest Quarter of Northwest Quarter (NW1/4 of NW1/4) Section Five (5), Township Forty-five (45), Range Twenty-one (21). Parcel 04.0038.000

and WHEREAS, said applicant has submitted the required application for repurchase to the Pine County Auditor:

and

and WHEREAS, this Board is of the opinion that said application should be granted for such reasons,

NOW THEREFORE BE IT RESOLVED, that the application of Gene and Gloria Perry, for the repurchase of the above described parcel of tax forfeited land be and the same is hereby granted and the County Auditor is hereby authorized and directed to permit such repurchase according to the provisions of Minnesota Statutes 1945, Section 282.241, as amended.

Dated at Sandstone, Minnesota, this 3rd day in June, 2014.

Attest:

_____
Chairman, Board of County Commissioners
Pine County, Minnesota

_____
County Auditor

RESOLUTION 2014-23

WHEREAS, Gene and Gloria Perry, the former owner, has made and filed an application with the County Auditor for the repurchase of the hereinafter described parcel of tax forfeited land, in accordance with the provisions of Minnesota Statutes 1945, Section 282.241, as amended, which land is situated in the County of Pine, Minnesota, and described as follows, to-wit:

North Half of Northeast Quarter (N1/2 of NE1/4) and Northeast Quarter of Northwest Quarter (NE1/4 of NW1/4) Section Six (6), Township Forty-five (45), Range Twenty-one (21). Parcel 04.0043.000

and WHEREAS, said applicant has submitted the required application for repurchase to the Pine County Auditor:

and

and WHEREAS, this Board is of the opinion that said application should be granted for such reasons,

NOW THEREFORE BE IT RESOLVED, that the application of Gene and Gloria Perry, for the repurchase of the above described parcel of tax forfeited land be and the same is hereby granted and the County Auditor is hereby authorized and directed to permit such repurchase according to the provisions of Minnesota Statutes 1945, Section 282.241, as amended.

Dated at Sandstone, Minnesota, this 3rd day in June, 2014.

Attest:

Chairman, Board of County Commissioners
Pine County, Minnesota

County Auditor

PINE COUNTY REQUEST FOR BOARD ACTION

Requested Board Date: **JUNE 3, 2014**	Consent Agenda *(Please Circle)* Regular Agenda Estimated Time: *(Please Circle)* _____ 10 Min. 15 Min. Time needed 30 Min. 45 Min. 1 hour
Department Requesting Action: **LAND DEPARTMENT**	Cathy Conner 5-27-14 Department Head Signature Date

Item for Discussion: (one form per item)

Minnesota Pollution Control Agency (MPCA) Groundwater Monitoring Well

The MPCA requests to install a groundwater monitoring well on County Tax-Forfeited property in Section 12-41-19. The MPCA accepts all costs, liabilities, and activities of installation, maintenance, and final closure of the well.

PURPOSE: The MPCA has contracted with Wiseth Smith Nolting to install ground water monitoring wells in undeveloped areas of Pine County. The purpose of monitoring wells in undeveloped areas is to gauge the overall health of Minnesota's groundwater by measuring naturally occurring chemicals and metals in groundwater.

Board Action Requested: (Attach additional pages if needed)

MOTION TO APPROVE

Supporting Documents: **Attached**

WIDSETH SMITH NOLTING

Brainerd/Baxter
7804 Industrial Park Road
PO Box 2720
Baxter, MN 56425-2720

218.829.5117
218.829.2517
Brainerd@wsn.us.com

WidsethSmithNolting.com

May 1, 2014

Greg Beck
Land Commissioner
Pine County
1602 Highway 23 North
Sandstone, MN 55072

Re: **Minnesota Pollution Control Agency Ambient Groundwater Monitoring Network, Request for Property Access: Tax Forfeit Parcel No. 010057000, Section 12, Township 41 North, Range 19 West, Arlone Township**

Dear Mr. Beck:

The Minnesota Pollution Control Agency (MPCA) monitors the quality of the groundwater of the State of Minnesota. In order to effectively monitor groundwater, the MPCA is installing groundwater monitoring wells in sewered residential areas in Pine County. Tax forfeit property administered by Pine County has been identified as suitable location for a groundwater quality monitoring well.

Currently groundwater provides approximately 75% of all drinking water in the State of Minnesota. To ensure the protection of drinking water, the State of Minnesota has designated funds for a groundwater quality monitoring network consisting of groundwater monitoring wells situated in various locations throughout the State.

The MPCA has contracted with Widseth Smith Nolting (WSN) to oversee the installation of the monitoring wells in your area. WSN has identified a location on Pine County tax forfeit property that meets the MPCA requirements for installation of the groundwater monitoring well.

The MPCA is requesting permission to install a groundwater monitoring well on your property. The procedure consists of installing a 2-inch diameter well approximately 15 feet into the ground (depth varies with location). The well will be protected by a 6-inch diameter, three foot tall, steel casing. The total installation procedure usually takes 2-3 hours. There are no costs to you related to this work. Once the well is installed the MPCA, Minnesota Department of Natural Resources, or one of their sister State agencies, will periodically contact you to allow them to access the well and collect groundwater samples for laboratory analysis.

The well will be installed in a location so as not inhibit use of the property and can be located to suit the needs of Pine County. If the MPCA's activities disturb any portion of the property, the MPCA will restore the property to as close to its original condition as reasonably possible.

WIDSETH SMITH NOLTING

You will be helping to protect our drinking water resources for future generations by allowing the installation of this well on your property. A representative of WSN will be following up with you in the near future via phone or in person. If you would prefer to contact us at your convenience, or if you have further questions about allowing the installation of these monitoring wells, please call WSN project manager Brian Ross at 218.316-3697 or via email at brian.ross@wsn.us.com.

More information about this project can be found in the enclosed fact sheet, and on the web at: http://www.pca.state.mn.us/

Sincerely,

Widseth Smith Nolting

Lorelei Kuck
Environmental Technician

Enc. (See Email Attachments)
MPCA: Enhancing Ambient Groundwater Quality Monitoring in Minnesota
Diagram: Typical Well Construction
Photograph: Typical Well
Map: Proposed Well Location

Minnesota Pollution Control Agency

Enhancing Ambient Groundwater Quality Monitoring in Minnesota

For the Clean Water, Land and Legacy Amendment

Water Quality/Ambient Monitoring #1.05 • December 2009

Ground water provides drinking water to approximately 75 percent of Minnesotans and contributes water to streams, rivers, lakes, and wetlands. The Minnesota Pollution Control Agency (MPCA) monitors the quality of our groundwater and protects it from contamination in cooperation with other state and local agencies.

What Is Ambient Monitoring?

Ambient monitoring is one important component of the MPCA's groundwater protection efforts. Data collected from ambient monitoring activities provide information about the general quality of Minnesota's groundwater and helps identify whether it is getting better, worse, or not changing. Ambient monitoring involves the sampling of groundwater across large geographic settings and provides a large-scale or "big picture" view of groundwater quality conditions across the state.

How Is This Information Used?

Data collected from MPCA ground water investigations is valuable to drinking water protection efforts and other water management activities. These data inform the state's drinking water supply protection efforts, identifies threats to groundwater quality, and guides the development of best management practices to avoid future groundwater impacts. Collected data are available on-line through the MPCA's Environmental Data Access system.

MPCA's Ambient Groundwater Monitoring Network

The MPCA's ambient monitoring network focuses on determining the amount of non-agricultural chemicals in the aquifers that are most susceptible to pollution from human activities. The network focuses on the surficial sand and gravel and Prairie du Chien-Jordan aquifers. Assessments of agricultural chemicals in groundwater are performed by the Minnesota Department of Agriculture.

A network of shallow wells is monitored by the MPCA as an early warning network in the surficial sand and gravel aquifers. Shallow groundwater typically is not used as a source of drinking water, but any changes in groundwater quality will first be detected in these wells. The early warning network detects whether human activities may be affecting groundwater quality and provides an opportunity to identify and address problems before it reaches the deeper drinking water supplies.

Enhancing the Monitoring Network

The MPCA is enhancing its monitoring network to improve the assessment of groundwater quality conditions and trends across the state. The agency will be installing additional monitoring wells, focusing on typical urban land use settings. The MPCA is contacting landowners about placing monitoring wells on their property. All costs associated with installing and sampling the wells are borne by the MPCA. Each sampling location initially will be visited about 2-3 times to install the well and prepare it for sampling. The newly-constructed wells will be sampled by the MPCA once each year for non-agricultural chemicals.

Clean Water Land and Legacy Amendment

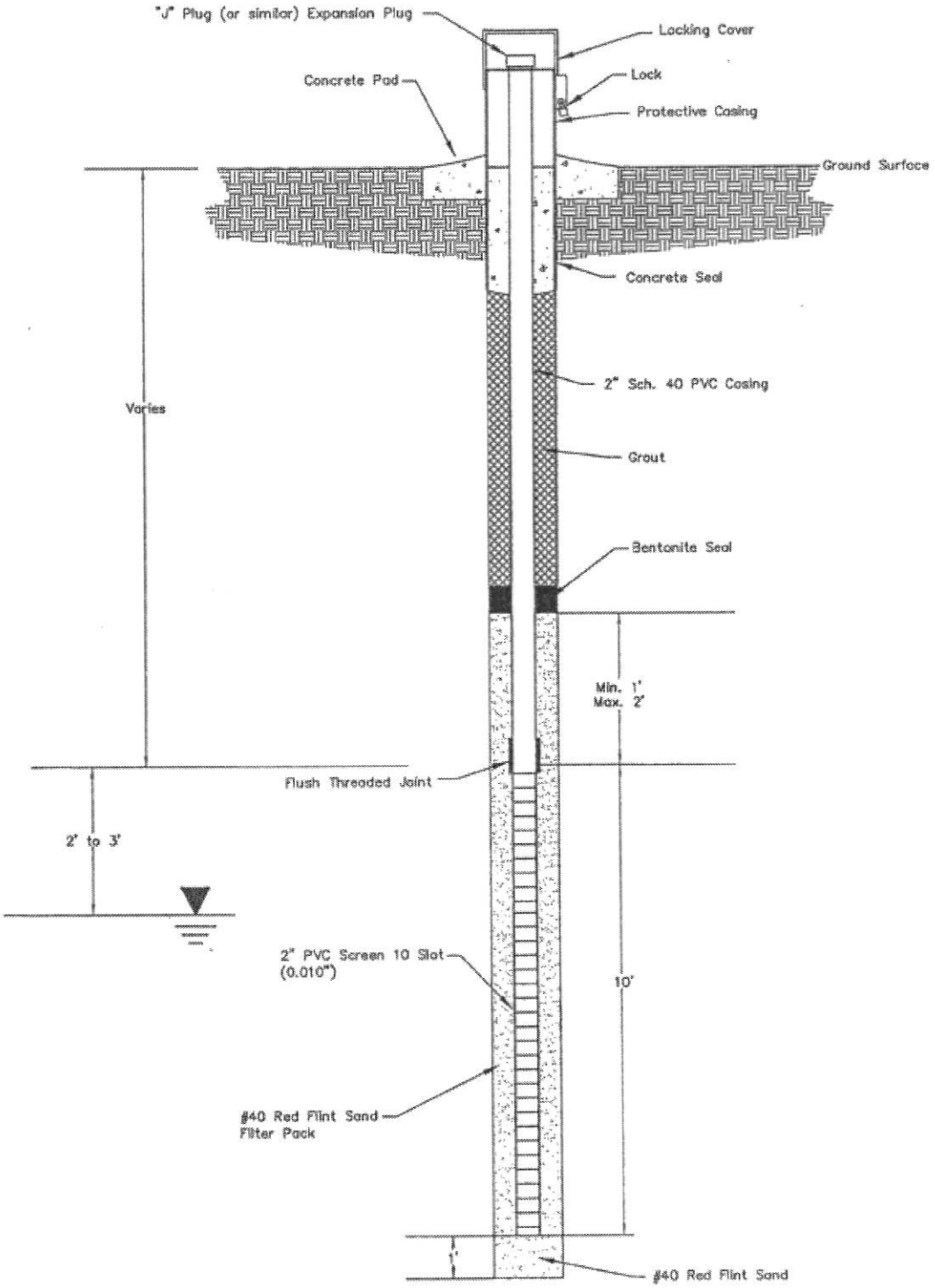
Enhancements to the MPCA's ambient groundwater quality monitoring network are funded through the Clean Water, Wildlife, Cultural Heritage and Natural Areas Amendment .On November 4, 2008, Minnesota voters approved this amendment which increased the sales and use tax rate by three-eighths of one percent on taxable sales through 2034. Parts of these funds are used to protect, enhance, and restore groundwater, with at least five percent of the funds targeted to protect drinking water sources.

For More Information

For additional information about the MPCA's ambient groundwater quality monitoring network, contact the MPCA's Ambient Groundwater Monitoring Coordinator in the Environmental Analysis and Outcomes Division at 651-296-6300 or 800-657-3864.

Minnesota Pollution Control Agency • 520 Lafayette Rd. N., St. Paul, MN 55155-4194 • www.pca.state.mn.us
651-296-6300 • 800-657-3864 • TTY 651-282-5332 or 800-657-3864 • Available in alternative formats

WELL DETAIL



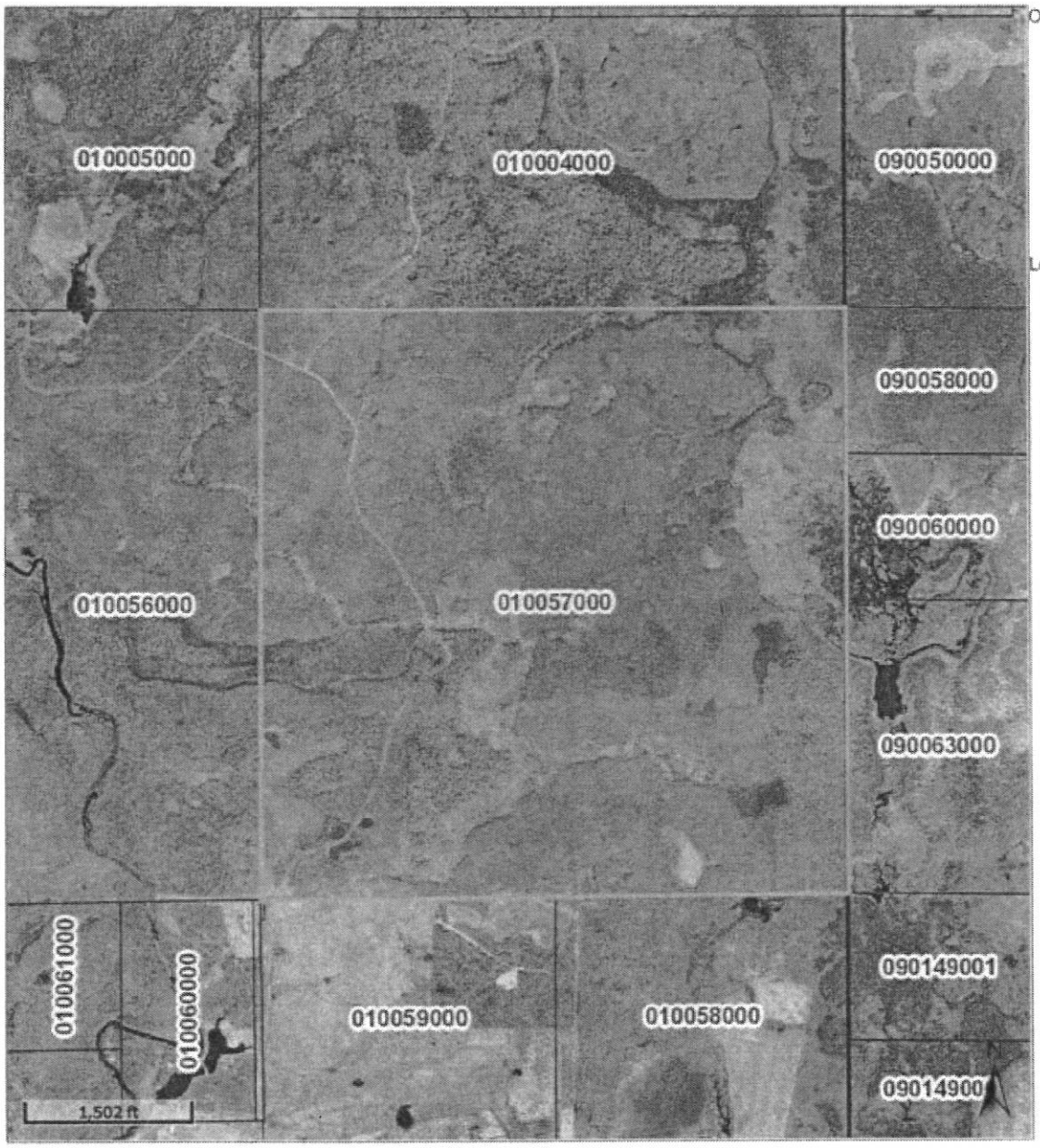
© 2008 WIDSETH SMITH NOLTING

WIDSETH SMITH NOLTING ENGINEERS ALEXANDRIA BEMIDJI ARCHITECTS BRAINERD LAND SURVEYORS DETROIT LAKES ENVIRONMENTAL SERVICES GRAND FORKS WWW.WSN-INC.COM	DATE: SEPTEMBER 2010 SCALE: AS SHOWN DRAWN BY: M.A.S. CHECKED BY: B.A.R. JOB NUMBER: 026480095	AMBIENT GROUNDWATER QUALITY MONITORING WELL INSTALLATION NORTHERN MINNESOTA MINNESOTA POLLUTION CONTROL AGENCY	SHEET NO. FIG. 2 SHEET 2 OF 2

Pine County, MN

beacon™

Date Created: 4/30/2014



Overview

Legend

Roads

- <all other values>
- Interstate
- Hwy

Townships

Parcels

Parcels w/o Labels

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Schneider

developed by
The Schneider Corporation
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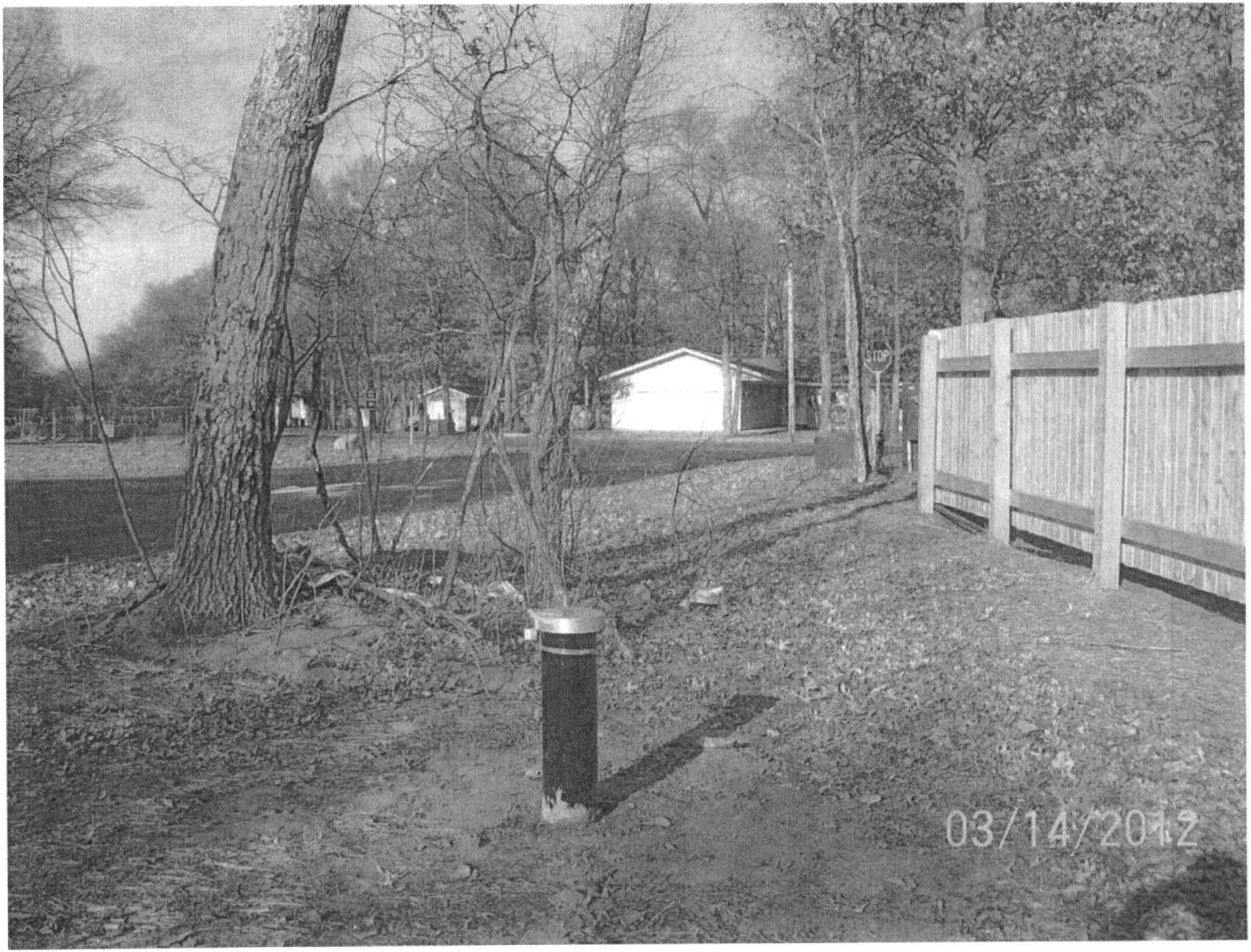

STOP
03/14/2012

MPCA PROPERTY ACCESS AGREEMENT
WITH

Pine County
(Property Owner)

1. Purpose of Agreement. As part of its duties under state law, the Minnesota Pollution Control Agency (MPCA) maintains a network of groundwater monitoring wells to monitor the quality of the groundwater in Minnesota. Information on the groundwater monitoring network is available at http://www.pca.state.mn.us/index.php/water/water-types-and-programs/groundwater/groundwater-monitoring-and-assessment/index.html. The MPCA is seeking to install additional wells to add to its network in Pine County. Pine County owns property in the targeted area that the MPCA has determined would be suitable for the installation of groundwater monitoring wells that would be part of the MPCA's groundwater monitoring network.

2. Parties. This agreement is between the MPCA and Pine County (the "Property Owner") where the MPCA would like to install monitoring wells.

3. Authority. The MPCA is authorized to enter any property, public and private, for the purpose of conducting surveys under Minn. Stat. § 115.04, subd. 3. The Property Owner has the duty to cooperate with the MPCA under Minn. Stat. § 115.06.

4. Consent to access. The Property Owner hereby authorizes the MPCA, its employees and agents, to enter the Properties shown on attachment 1 (map of well location) for the purpose of:
1) installing a single groundwater monitoring well and/or protective posts at each location shown on attachment 1; and
2) collecting groundwater samples from the monitoring wells on an annual basis until this Agreement is terminated.

5. Pre-installation meeting. The MPCA or its designated representative will meet with the designated Property Owner's designated contact person at least two weeks before the installation. At this time, the MPCA or its designated representative will provide the Property Owner with the name of the MPCA's contractor, and the Property Owner will provide the MPCA with information concerning any hours or operation restrictions or other policies that might be applicable. The MPCA or its designated representative will ensure that its contactor is aware of and complies with Property Owner ordinances on noise and hours of operation. At the meeting, the MPCA or its designated representative and the Property Owner will identify a specific mutually agreeable location *within* each designated property on attachment 1 for the monitoring well.

6. Contacts. The MPCA's project manager and contact is Sharon Kroening (phone: 651-757-2507, email: sharon.kroening@state.mn.us). The contact person for the Property Owner shall be the Pine County Land Commissioner, currently Greg Beck (320-216-4225, greg.beck@co.pine.mn.us) or his designee.

7. Permits, required actions. The MPCA will be responsible for obtaining all permits and providing notices to utilities related to the installation. The MPCA's consultant will coordinate all contractors involved in installation, including locating all utilities prior to well installations and completing all Minnesota Department of Health permits required to install the wells. These permits and notices will be available to the Property Owner upon request.

8. Access related to well installation; notice. The Property Owner understands and agrees that the well installations will require three separate site visits. All buried utilities will be located during the first site visit. This will take approximately 1-2 hours to complete and will be done prior to the well installations. The wells will be drilled during second site visit, which will take approximately one working day to complete. The wells will be prepared for water sample collection during the final site visit. This involves pumping water from the wells and monitoring its quality. These activities will take one-half day to complete and will be performed no sooner than 24 hours after well installation. The MPCA will require its contractor to provide notice to the Property Owner at least 48 hours before each of these activities is scheduled. The Property Owner is welcome to observe these activities.

9. Access related to sampling; notice of sampling. After installation, the MPCA will sample the monitoring wells once a year. Sampling will involve pumping water from the wells, collecting field measurements of the water, and collecting samples for later laboratory analysis. Sampling will take between 1 to 2 hours to complete. The MPCA or its consultant will notify the Property Owner at least 48 hours before entering the Property for the purpose of sampling. The Property Owner is welcome to observe the sampling.

10. Hours of work. All work under this access agreement will be conducted during regular business hours (Monday thru Friday 8:00 AM to 5:00 PM) unless the MPCA or its consultant receives written permission from the Property Owner to conduct work during different hours.

11. Disturbance of property. The well installations and sampling will be performed by the MPCA in a manner which minimizes interference with the Property Owner's use of the Property. If the MPCA's activities disturb any portion of the Property, the MPCA will restore the property to as close to its original condition as is reasonably possible under the circumstances.

12. Sampling results. The MPCA shall provide copies of the results of all sampling conducted on the Property to the Property Owner after test validations. The data collected from the monitoring wells on the Property will be public information.

13. Liability. The MPCA will be liable for injury to or loss of property or personal injury or death caused by any act or omission of any employee of the State of Minnesota in the performance of the work described above, under circumstances where the State of Minnesota, if a private person, would be liable to the claimant, in accordance with Minn. Stat. § 3.736.

14. Termination. These monitoring wells are part of a network designed to provide long-term information about Minnesota's groundwater quality. It is the MPCA's intention to maintain these monitoring wells and to monitor them indefinitely. This agreement, however, can be terminated by either party (MPCA or Property Owner) with 60 days written notice to the other party. The Property Owner understands that, should either party decide to terminate this agreement, state law requires proper closure of the wells. The MPCA will be responsible for all costs and activities associated with closure of each monitoring well. The Property Owner agrees and understands that, to close the wells, it will be necessary to provide access to the MPCA for the purpose of well closure, and the Property Owner hereby agrees to provide that access, conditioned only on 48 hours written notice.

15. Sale of Property. If the Property Owner sells the Property, the Property Owner agrees that it shall notify the buyer of this access agreement and provide the MPCA with notice and an opportunity to reach agreement with the buyer under which continued access for sampling will be allowed.

MINNESOTA POLLUTION CONTROL AGENCY

_____
Katrina Kessler
Manager, Water Assessment and
Environmental Information Section

Date: _____

Property Owner:
PINE COUNTY

_____
Greg Beck
Land Commissioner

Date: _____

PINE COUNTY REQUEST FOR BOARD ACTION

Requested Board Date: **June 3, 2014**	**Consent Agenda** *(Please Circle)* Regular Agenda Estimated Time: *(Please Circle)* 10 Min. 15 Min. _____ Time needed 30 Min. 45 Min. 1 hour
Department Requesting Action: **HHS**	5/21/14 Department Head Signature Date

Item for Discussion: (one form per item)

Consider full time status – completion of probationary period

Karen Engh, RN effective June 9, 2014

Board Action Requested: (Attach additional pages if needed)
Approval

Supporting Documents: Attached None

PINE COUNTY REQUEST FOR BOARD ACTION

Requested Board Date: June 3, 2014	Consent Agenda *(Please Circle)* Regular Agenda Estimated Time: *(Please Circle)* _____ 10 Min. 15 Min. Time needed 30 Min. 45 Min. 1 hour
Department Requesting Action: **Land Services**	Department Head Signature 5/29/14 Date

Pine County has received a grant from the Commissioner of Revenue in the amount of $3,529.41 to assist with the computer programming costs the county is going to incur to be in compliance with the State of Minnesota's new Property Record Information System of Minnesota. This system will take the place of many of the reports both the Assessor and Auditor are required to submit to the Department of Revenue annually.

Board Action Requested: (Attach additional pages if needed)
Approve and authorize the Board Chair to sign the grant contract.

Supporting Documents Attached None

STATE OF MINNESOTA
GRANT CONTRACT

This grant contract is between the State of Minnesota, acting through its Commissioner of Revenue ("STATE") and Pine County, 635 Northridge Drive NW, Pine City, MN 55063 ("GRANTEE").

Recitals

1. Under Minn. Stat. 270 c 03 sub 1 the State is empowered to enter into this grant.
2. The State is in need of improved reporting of property tax data.
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant contract to the satisfaction of the State. Pursuant to Minnesota Statutes §16B.98 Subdivision 1, the Grantee agrees to minimize administrative costs as a condition of this grant.

Grant Contract

1 Term of Grant Contract

1.1 ***Effective date*:** June 1, 2014, or the date the State obtains all required signatures under Minnesota Statutes §16B.98 Subd. 5, whichever is later. Per Minnesota Statutes §16B.98, Subd. 7, no payments will be made to the Grantee until this grant contract is fully executed.

The Grantee must not begin work under this grant contract until this contract is fully executed and the Grantee has been notified by the State's Authorized Representative to begin the work.

1.2 ***Expiration date*:** June 30, 2015 or until all obligations have been satisfactorily fulfilled, whichever occurs first.

1.3 ***Survival of Terms.*** The following clauses survive the expiration or cancellation of this grant contract: 8. Liability; 9. State Audits; 10. Government Data Practices and Intellectual Property; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15 Data Disclosure.

2 Grantee's Duties

The Grantee, who is not a state employee, will:
Comply with required grants management policies and procedures set forth through § 16B.97 subd. 4 (a) (1). and MN Session Law 2013 Chapter 142, Article 1, Section 14, subdivision 1.
The county will use the funding for the development, implementation, or maintenance of data collection and data processing systems that will facilitate improved reporting of property tax data on parcels and portions of parcels to the Commissioner of Revenue for analytical and administrative use.
These system changes are part of the Property Record Information System of Minnesota (PRISM) project.

3 Time

The Grantee must comply with all the time requirements described in this grant contract. In the performance of this grant contract, time is of the essence.

4 Consideration and Payment

4.1 Consideration. The State will pay for all services performed by the Grantee under this grant contract as follows:

(a) Compensation. The Grantee will be paid a lump sum payment of $3,529.41, after the grant contract is fully executed.

(b) Travel Expenses. Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Grantee as a result of this grant contract will not exceed $0.00; provided that the Grantee will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current "Commissioner's Plan" promulgated by the Commissioner of Minnesota Management and Budget (MMB). The Grantee will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State's prior written

approval for out of state travel. Minnesota will be considered the home state for determining whether travel is out of state.

(c) ***Total Obligation.*** The total obligation of the State for all compensation to the Grantee under this grant contract will not exceed $3,529.41.

5 Conditions of Payment

All services provided by the Grantee under this grant contract must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

6 Authorized Representative

The State's Authorized Representative is Heather Bestler, Property Tax Auditor/Treasurer Supervisor, phone: 651.556-4928, email address: heather.bestler@state.mn.us, or her successor, and has the responsibility to monitor the Grantee's performance and the authority to accept the services provided under this grant contract.

The Grantee's Authorized Representative is Kelly Schroeder, Land Services Director, phone: 320.591-1634, email: Kelly.schroeder@co.pine.mn.us. If the Grantee's Authorized Representative changes at any time during this grant contract, the Grantee must immediately notify the State.

7 Assignment, Amendments, Waiver, and Grant Contract Complete

7.1 ***Assignment.*** The Grantee shall neither assign nor transfer any rights or obligations under this grant contract without the prior written consent of the State, approved by the same parties who executed and approved this grant contract, or their successors in office.

7.2 ***Amendments.*** Any amendments to this grant contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant contract, or their successors in office.

7.3 ***Waiver.*** If the State fails to enforce any provision of this grant contract, that failure does not waive the provision or the State's right to enforce it.

7.4 ***Grant Contract Complete.*** This grant contract contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this grant contract, whether written or oral, may be used to bind either party.

8 Liability

The Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this grant contract by the Grantee or the Grantee's agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this grant contract.

9 State Audits

Under Minn. Stat. §16B.98, Subd.8, the Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this grant agreement or transaction are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later

10 Government Data Practices and Intellectual Property

10.1. ***Government Data Practices***. The Grantee and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by the State under this grant contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the Grantee or the State.

If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee's response to the request shall comply with applicable law.

11 Workers' Compensation

The Grantee certifies that it is in compliance with Minn. Stat. § 176.181, subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

12 Publicity and Endorsement

12.1 ***Publicity***. Any publicity regarding the subject matter of this grant contract must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this grant contract.

12.2 ***Endorsement***. The Grantee must not claim that the State endorses its products or services.

13 Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this grant contract. Venue for all legal proceedings out of this grant contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14 Termination

14.1 ***Termination by the State.*** The State may immediately terminate this grant contract with or without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

14.2 ***Termination for Cause.*** The State may immediately terminate this grant contract if the State finds that there has been a failure to comply with the provisions of this grant contract, that reasonable progress has not been made or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

15 Data Disclosure

Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

1. STATE ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minn. Stat. ' ' 16A.15 and 16C.05.

Signed: _____

Date: ___3/20/14_____

SWIFT Contract/PO No(s)._75963/3000005600_____

2. GRANTEE

The Grantee certifies that the appropriate person(s) have executed the grant contract on behalf of the Grantee as required by applicable articles, bylaws, resolutions, or ordinances.

By: _____

Title: _____

Date: _____

3. STATE AGENCY

By: _____
(with delegated authority)

Title: _____

Date: _____

(320) 632-9255
405 First Street SE
Little Falls, MN 56345

Initiative FOUNDATION

ifound.org

May 23, 2014

RECEIVED
MAY 28 2014

David Minke
Pine County
635 Northridge Drive NW
Pine City, MN 55063

RE: ED14-4631

Dear Mr. Minke,

Congratulations! This letter is to advise you that your application for the project entitled *"Economic Development Planning"* has been approved in the amount of $5,000. Two original copies of the Grant Agreement are enclosed. This agreement explains the conditions of the award as well as the reporting requirements. Please read the grant agreement carefully.

Please forward one original signed grant agreement to the Initiative Foundation at 405 First St. SE, Little Falls, MN and retain the other original for your records. The Foundation will make full payment of this grant within 45 days upon receipt of signed Grant Agreement.

It is important to remember that any written or video materials resulting from this grant shall contain the following: "This project was funded in part by the Initiative Foundation, a regional foundation." Thank you - this helps all of us in future fundraising efforts.

A final Financial Report and Grantee Progress Report will be due within 30 days following the end of your grant period. You can find and submit these reports online through your My Account page. We are looking forward to working with you on this project. Please feel free to contact us at any time if you have questions.

Sincerely,

Don Hickman
Vice President for Community & Economic Development

Enclosures: Grant Agreement (2)

INITIATIVE FOUNDATION

405 First Street SE
Little Falls, MN 56345
www.ifound.org
(320) 632-9255

GRANT AGREEMENT

GRANT NUMBER: ED14-4631

GRANTEE: Pine County

PROJECT TITLE: *"Economic Development Planning"*

GRANT AMOUNT: $5,000

GRANT PERIOD: June 1, 2014 to May 31, 2015

The Initiative Foundation (Foundation) and the Grantee are entering into this Agreement to establish the terms of a grant by the Foundation specific to the project noted above.

RESPONSIBILITIES OF THE INITIATIVE FOUNDATION

The Foundation will make an initial payment of the grant amount within 30 days upon receipt of this signed Grant Agreement. The Foundation reserves the right to discontinue, modify or withhold any amount of this grant if it determines, in its sole discretion, such action is necessary. The Foundation reserves the right to distribute any written, video or digital materials resulting from this effort.

RESPONSIBILITIES OF THE GRANTEE

A. The Grantee hereby confirms and agrees that it is currently exempt from Federal income tax pursuant to Internal Revenue Code Section 501(c)(3) or is a local unit of government, and that it has not received any revocation or suspension notice from the IRS. The Grantee also agrees to notify the Foundation of any change in exempt status during the grant period.

B. The Grantee hereby agrees to carry out this project and to use the grant funds only for the designated purpose as described in the grant application submitted to the Foundation. The Grantee agrees to obtain consent of the Foundation when activities deviate substantially from said grant application. The Grantee further agrees not to use the funds for any purpose prohibited by law.

C. The Grantee hereby agrees to notify the Foundation about any of the following:
   - Any change in key personnel of the project or organization;
   - Any change in address or phone number;
   - Any development that significantly affects the operation of the project or the organization.

D. The Grantee hereby agrees to maintain its books and records to show and separately account for the funds received under this grant, to maintain records of expenditures adequate to identify the purposes for which grant funds have been expended for this project, and to retain such records for three years.

E. The Grantee hereby agrees to permit the Foundation, at its request, access to the Grantee files and records related to this grant, and make available relevant financial audits, verifications, and investigations.

F. The Grantee hereby agrees to repay to the Foundation any portion of the grant which remains unused or is not used for the purposes specified within the grant application. Such payment is to be remitted along with the Grantee's final reports, all due 30 days after the grant period ends.

G. The Grantee hereby agrees to provide the Foundation with a copy of any final plan, written reports, or digital materials resulting from this grant and such materials shall contain the following statement: **"This project was funded in part by the Initiative Foundation, a regional foundation."**

H. The Grantee hereby agrees to defend and hold harmless the Foundation and its officers and employees from and against any claim, including the expense of investigation and defense of such claim, arising out of or in any way connected with this project, grant or expenditure of grant funds.

I. The Grantee hereby agrees to comply with the reporting requirements and is bound by its terms as stated in this Grant Agreement. Failure to do so may result in repayment to the Foundation by the Grantee for all or part of the grant and jeopardize future grant funding.

J. The Grantee hereby agrees to submit the following information:

1) Financial Report form and Grantee Progress Report form are due within 30 days after May 31, 2015, which is the end of the grant period.

2) Other information supported by project funds, e.g. final documents such as survey results, comprehensive plan, housing study, etc.

Thank you for all you are doing to build community in central Minnesota. The responsibilities and obligations outlined in this grant agreement are intended to hold ourselves and our grantees to the highest standards of accountability for greatest impact to our donors, constituents and to the children, families, and communities that we serve. Without strong partners like you, our work would be impossible.

Initiative Foundation	**Pine County**
DonHickman	
Don Hickman	David Minke
VP for Community & Economic Development	County Administrator
Date: 5/22/2014	Date:

PINE COUNTY
MINNESOTA

AGENDA REQUEST FORM

Date of Meeting: June 3, 2014

☒ **County Board**
- ☐ Consent Agenda
- ☒ Regular Agenda 5 mins.___ 10 mins.___ 15 mins.___ Other___

☐ **Personnel Committee**

☐ **Other** _____

Agenda Item: Elected Official-Elect Training

Department: Administration

_____
Department Head signature

Background information on Item:

At the May 20, 2014 board meeting the commissioners discussed attendance at training by elected officials-elect and expressed an interest is formalizing a policy to allow attendance at training by those elected to county office, but not yet serving in office.

The thought at the May 20, 2014 meeting was to include the policy in the county general personnel policies. However, Section 1.2 of the county personnel policy specifically exempts elected officials.

Amending the policy to include elected officials may create some unintended consequences. If the board is interested in quickly clarifying its position on attendance at training by those elected but not yet serving in county office, it could consider adopting a resolution similar to the attached.

Action Requested:

Consider Resolution 2014-24 to allow training by those elected to county office, but not yet serving.

Financial Impact

Exact cost will vary dependent on the cost of the training. No significant impact on the budget is anticipated.

TRAINING
FOR
COUNTY COMMISSIONERS-ELECT, COUNTY ATTORNEY-ELECT, COUNTY AUDITOR-ELECT AND COUNTY SHERIFF-ELECT

Resolution 2014-24

WHEREAS, it is in the best interest of Pine County to have elected officials attend training related to their roles as elected officials, and

WHEREAS, state associations may offer helpful training for newly elected officials between the time of the election, but prior to the elected official taking office.

NOW, THEREFORE, BE IT RESOLVED, newly elected County Commissioners, County Attorney, County Auditor, and County Sheriff may attend in-state training, relevant to the position to which they were elected to, sponsored by state associations prior to taking office at the expense of Pine County.

BE IT FURTHER RESOLVED, that funds must be available in the budget to support attendance at the training, and the training must be approved by the county board using substantially the same process as for the currently serving elected officials.

BE IT FURTHER RESOLVED, that newly elected officials should notify the County Administrator in a timely manner of their interest in attending training so that registration and other arrangements can be made.

Dated this 3rd day of June, 2014.

Curt H. Rossow, Chair Pine County Board of Commissioners	David J. Minke, Administrator Clerk to Pine County Board of Commissioners

PINE COUNTY REQUEST FOR BOARD ACTION

Requested Board Date: June 3, 2014	Consent Agenda *(Please Circle)* Regular Agenda Estimated Time: *(Please Circle)* _____ 10 Min. 15 Min. Time needed 30 Min. 45 Min. 1 hour
Department Requesting Action: **Pine County Public Works**	Department Head Signature Date

Item for Discussion: (one form per item)

Reject all bids opened on May 27th for construction on CSAH 8

Board Action Requested: (Attach additional pages if needed)

See attached memo

Supporting Documents: Attached None

PINE COUNTY
MINNESOTA

Memo

To: Pine County Board of Commissioners
David J. Minke, County Administrator

From: Mark A. LeBrun, Public Works Director/County Engineer

Date: 5/29/2014

Re: Rejection of Bids

On Tuesday May 27th, bids were opened on the CSAH 8 project in Pine City. The Engineer's Estimate was $2,628,473.67 and the two bids were $4,292,490.80 and $4,432, 540. 03. Due to the difference I am recommending rejecting the bids.

There are a few reasons I believe the bids were high:

1) There is significant utility type work in the metro bid this spring so projects starting in fall will probably get more interest.

2) There is contaminated soils on 2nd street that were bid at 4 times the estimate.

3) The project was staged so 2nd street would not start till 2015 and this creates some uncertainty in bidding due to fuel/oil prices.

Most of the work on the project was the City of Pine City utility replacement and the City supports rejecting and rebidding.

Therefore, I recommend the following:

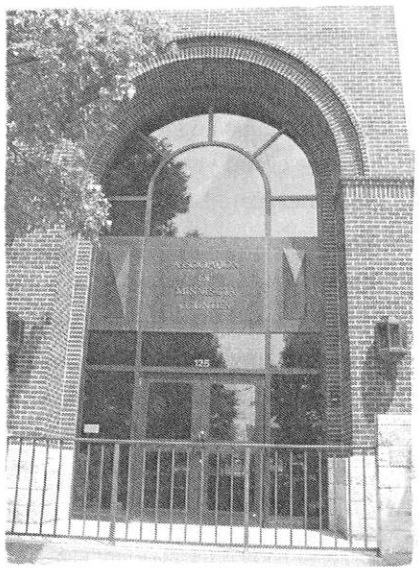
1) Eliminate the 2nd street portion of the project. Due to the contaminated soils, I recommend the city/county pursue grant funds to clean up the soils as a stand alone project before pursuing a complete reconstruction of the road. The estimated cleanup cost of $600,000 is not justifiable for the County to pay.

2) Rebid 3rd Avenue (east – west portion of CSAH 8) and 5th street (Pine City) and signal replacement in July with a goal of starting construction in August and completion in September.

Association of Minnesota Counties

Legislative Session Summary

2014



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Health & Human Services 34

Public Safety & Corrections 40

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ASSOCIATION of MINNESOTA COUNTIES

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Main Line: 651-224-3344, Fax: 651-224-6540
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2014 Legislative Session Overview

The 2014 Legislative Session arrived with a late start, a $1.2 billion surplus, billions of dollars in bonding requests, leftover priorities from the 2013 session, and a suggestion from Gov. Mark Dayton that lawmakers should think of this second year of the biennium as an "unsession" and focus on doing away with antiquated and unnecessary laws.

The Legislature moved quickly, passing a $443 million dollar tax cut bill within the first four weeks of session. By the time session came to a close on May 16, they had also passed a supplemental budget bill with $283 million in spending, a second tax bill with another $103 million in tax relief, an $846 million bonding bill, and second capital investment bill spending $199 million from the general fund for building projects. In total, 169 bills were sent to the governor (23 more than last year's long session) and several major issues were addressed, in spite of the shortened time frame and call for this to be an "unsession."

For counties, every area of our business was touched in one way or another. Read on for the impacts of this legislative session for AMC members.

Minnesota Legislative Session Summary Statistics, 2014	Number
Number of House bill introductions	**1534**
Number of Senate bill introductions	**1309**
Total bills sent to the governor	**169**
Total bills signed by the governor (as of May 23)	**165**
Total bills vetoed by the governor	**0**

Other Notable Outcomes

Passed:

- Increase in the minimum wage
- Women's Economic Security Act
- Medical marijuana program
- Anti-bullying legislation

Not Passed:

- Administrative rulemaking process revisions
- Sunday liquor sales
- Repeal of residential sprinkler mandate (new requirement will only apply to new homes over 4500 sq. ft.)

AMC Intergovernmental Services Staff

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ring@mncounties.org

Environment & Natural Resources
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Transportation, Infrastructure, Energy & Bonding
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abryduck@mncounties.org

How Counties Fared

Like most years, the 2014 legislative session saw many positives for counties, but also a few negatives.

On the plus side, four of AMC's priority issues for the year were acted upon favorably. The omnibus budget bill included Human Services Administrative Simplification. This was no small feat and was accomplished through the advocacy of counties as the cost is significant and it was not included in the governor's budget recommendations. The second tax bill included not only the expansion of the sales tax exemption to joint powers and other local government entities (effective January 1, 2016), but also the requested clarifications on the exclusions to the exemption for activities that compete with private businesses. The Workers' Compensation Advisory Council recommended the modification to last year's changes related compensable mental impairments and the Legislature followed that recommendation. There was no action on AMC's primary opposition item: shoreland rulemaking.

In addition to the priority items, $4.5 million this year and $10 million per year thereafter was allocated to a grant program for counties to combat aquatic invasive species. The bonding bill included $33 million for local bridges and $54 million for local roads, though a good portion of both of those funds is earmarked for specific projects. The bill also included $2 million for the Board of Water and Soil Resources wetland replacement program. Thirteen counties will see temporary increases in County Program Aid and five more counties were given the authority they requested to appoint Auditor, Treasurers and Recorders.

Some of the disappointments this session include: no action on comprehensive transportation funding, probation funding reform, or county redesign initiatives. New challenges were also created for counties that may want to form a new joint-powers entity and in cases where an employee has inappropriately accessed private data.

Looking Ahead

2014 is an election year, with all 134 members of the Minnesota House of Representatives and the governor up for re-election. Candidates on both sides of the aisle will be looking back on the actions of the last two years with very different messages about the direction of the state. Still yet to be determined is how voters view any successes that the DFL had in implementing their ambitious agenda. Will it be enough to keep them in power or is it more than the electorate bargained for when they voted for single party control of government? Few predictions about the 2015 session can be made until after Election Day on November 4, 2014.

AMC Priority Items Scorecard 2014

+ Success +/- Partial Success - Disappointment

HUMAN SERVICES ADMINISTRATIVE SIMPLIFICATION	
+	The funding and policy changes needed to advance administrative simplification were included in the final supplemental budget bill.
PROBATION FUNDING REFORM	
-	Due to concerns raised by the Department of Corrections about the proposal, the bill did not make it out of committee.
EXPANDING THE LOCAL GOVERNMENT SALES TAX EXEMPTION	
+/-	The local government sales tax exemption was clarified to include: special districts; any instrumentality of a city, county, or township; and any joint powers board or organization, effective Jan 1, 2016.
INCREASE TRANSPORTATION FUNDING	
-	While no transportation bill was ultimately passed, a comprehensive finance package made progress in both bodies.
MODIFYING THE 2013 WORKERS' COMPENSATION CHANGES	
+/-	Last years' changes were modified to specify that one or more compensable mental impairment claims arising out of a single event or occurrence constitutes a single loss occurrence.
COUNTY GOVERNMENT REDESIGN	
-	The Minnesota Accountable Government Innovation Collaboration (MAGIC) Act did not move forward.
OPPOSITION ITEMS	
+	**Shoreland Rulemaking:** New shoreland rules were not enacted.

Environment & Natural Resources

For additional information on this section, please contact Annalee Garletz, Policy Analyst, at 651-789-4322 or garletz@mncounties.org.

OMNIBUS SUPPLEMENTAL FINANCE BILL

The supplemental budget omnibus bill contained a number of items of interest to counties. Generally, these items were introduced as stand-alone bills and were then rolled into the omnibus bill. The following are provisions are specific to environment and natural resources.

Status: Signed into Law; Chapter 312

Legislative Water Commission *(Article 4, Sec 3)*

A new Legislative Water Commission of six House and six Senate members will review water policy reports and recommendations of the Environmental Quality Board, the Board of Water and Soil Resources, the Pollution Control Agency, the Department of Natural Resources, the Metropolitan Council, and other water-related reports as necessary. The commission may conduct public hearings and make recommendations to assist the Legislature in formulating legislation.

Select Committee on Recycling and the Environment (SCORE) *(Article 12, Section 5)*

Throughout session, there was much discussion about the work counties do on recycling. AMC, the Solid Waste Management Coordinating Board (SWMCB), the Solid Waste Administrators Association (SWAA) and others came together to support more funding for counties to conduct recycling activities. The outcome was that in 2015 an additional $4,000,000 will be allocated from the environmental fund and in future years $3,000,000 will be added to the base funds for SCORE. These dollars will be distributed via the existing formula.

In addition to increased funding, language was added *(Article 13 Sections 24-29)* that does the following:

- Adds the owner of a sports facility to the list of those with recycling requirements.
- Updates the language of the Statewide Source Reduction Goal to read as follows: It is the goal of the state and counties to reduce the generation of municipal solid waste.
- Clarifies that recycling includes source-separated compostable materials.
- Changes the implementation date for county recycling goals from December 31, 1996 to 2030. The recycling goal for greater Minnesota remains unchanged at 35% but metropolitan counties have a new goal of 75%.
- Encourages county investments in composting by allowing recycling funds to be spent on materials and containers for source-separated compost. In addition, metro counties are required to spend at least 50% of new funding on compost source-separated compostable materials or receptacles for residential composting.
- New language was added that requires counties to submit "...specific details on recycling and composting activities undertaken to increase the county's proportion of solid waste recycling in order to achieve its recycling goal..." AMC, SWAA and SWMCB will work with the Pollution Control Agency to develop this reporting requirement.

Closed Landfill Investment Fund (CLIF)

At one point in the conference committee the Senate proposed removing the requirement of replenishing the CLIF. AMC, SWAA and other groups opposed the measure and it was not included in the final bill.

Investigation of Activities Affecting Waters of the State *(Article 13, Section 19)*

Existing language was altered that allows the DNR to monitor activities being conducted with or without a permit that may affect waters of the state. This language was added along with new language relating to groundwater use.

SUBSURFACE SEWAGE TREATMENT SYSTEMS (SSTS)

Tank Fees

SSTS installers are required to submit a form showing the number of tanks installed in each jurisdiction in the previous calendar year. The PCA Commissioner will then invoice the installers with the final fee that is due. The new language is effective January 1, 2015 and will apply to tanks installed on or after January 1, 2015. AMC was supportive of this change.

Status: Signed into law; Chapter 237, *Section 6*

SSTS Administrative Penalty Orders

For several years both the state and counties had frustrations about how to enforce penalties against those who are not properly installing, designing or servicing septic systems. Language was adopted that gives the Pollution Control Agency the ability to issue a citation to a person who performs labor or services designing, installing, constructing, inspections, servicing, repairing, or operating a SSTS if they fail to have a proper license, surety bond or local permit, or if they fail to submit SSTS as-built plans or compliance inspections forms to the local government unit. New penalty amounts for the various violations have been identified in statute. AMC was supportive of giving PCA this authority.

Status: Signed into law; *Chapter 237, Section 10*

PLANNING AND ZONING

Lot Splits

This bill was put forward by the Minnesota Association of County Planning and Zoning Administrators (MACPZA) and AMC. The statute is clear on how auditors are to handle documents that result in a subdivision of property for a parcel of land within a municipality (defined as a city or town that exercises its zoning authority under Minn. Stat. 462.352). However, Minn. Stat. 272.162 does not address what an Auditor's authority is when the property is being subdivided and the subdivision is controlled by a countywide zoning ordinance, under Minn. Stat. 394.25. Because the current statute does not address properties under county zoning and subdivision authority, the County Auditor is required to forward deeds for filing, even if it will create an illegal split under the county zoning ordinance. As the statute is currently written for municipalities, if a deed is discovered to convey an illegal split, the Auditor's Office has the authority to correct it before the document is recorded. If an illegal split does get recorded, the costs for correction can be very expensive to the landowner(s). Additionally, it puts the county in the position of not issuing building or other permits on the property until the illegal split has been corrected. This bill did not receive a hearing and it is the intent of AMC and MACPZA that the bill will be reintroduced in the 2015 legislative session.

Status: Did not pass; *H.F.3032/S.F.2684*

Wetland Mitigation

H.F.2850 and S.F.1971 were bills relating to wetland siting and mitigation. The bill language proposed giving more flexibility to wetland placement. Informational hearings were given on the bill in both the House and the Senate but the bill was not passed out of committee. Instead, the bill authors asked all the interested parties to meet prior to the 2015 legislative session to determine ways that would offer greater flexibility to counties and for siting of wetlands.

Status: Did not pass; *H.F.2850/S.F.1971*

SOLID WASTE

Commercial Recycling

Effective January 1, 2016, an owner of a commercial building shall collect at least three recyclable materials if they are located in a metropolitan county, as defined in section 473.121; contains a business classified in sectors 42-81 under the North American Industrial Classification Systems; and contracts for four cubic yards or more per week of solid waste collection.

Status: Signed into law; Chapter 225

Sharps Recycling

MN Statutes Section 116.78, Subdivision 4 is amended to read that a person shall not place sharps with recyclable materials, as defined in section 115A.03.

Status: Signed into law; Chapter 225

Textile Recycling Goals

This bill was put forward by a for-profit textile recycling company with the purpose of setting recycling goals in statute. The bill indicated that it would be the goal of the state to achieve recycling amounts for textiles of 20% by 2020, 40% by 2025, and 75% by 2030. AMC staff testified with strong concerns about setting arbitrary goals in statute with no plan to achieve these goals, or a method to collect recycling amounts from for profits or non-profits regarding re-use or recycling. AMC is not opposed to recycling textiles but counties were concerned that the duty would fall to them by default via their recycling programs. The bill made it through committees in both the House and the Senate and was passed off of the House floor. The bill was not passed off of the Senate floor.

Status: Did not pass; S.F. 2377/ H.F. 2445

MISCELLANEOUS

Aquatic Invasive Species(AIS) Delegation Agreement

The delegation agreement language between local governments and the Department of Natural Resources (DNR) regarding participation in AIS activities in MN Statute 84D.105 Subdivision 2 has been changed from requiring that local governments assume all legal, financial, and administrative responsibility for inspections programs to be more flexible and allow the liability language to be worked through each individual agreement. It no longer states that the LGU needs to accept all liability. This change was made in cooperation with DNR and others.

***Status: Signed into Law; Chapter 290**, (Section 25)*

Aquatic Invasive Species Prevention Aid

The omnibus tax bill establishes a new county aid program administered by the Department of Revenue to assist counties in preventing the spread of aquatic invasive species (AIS). The funds are distributed by formula, with half of the funds distributed based on the number of public water access sites in each county, and the other half based on the number of parking spaces at all public water access sites in each county.

The law requires counties to use the proceeds to prevent the introduction or limit the spread of aquatic invasive species at all access sites within the county. Counties must establish, by resolution or through adoption of a plan, guidelines for the use of the proceeds, and file those guidelines with the Department of Natural Resources. The guidelines set by the county board may include, but are not limited to, providing for site-level management, countywide awareness, and other procedures that the county finds necessary to achieve compliance. Counties may appropriate the proceeds directly, or may use any portion of the proceeds to provide funding for a joint powers board or cooperative agreement with another political subdivision, a soil and water conservation district in the county, a watershed district in the county, or a lake association located in the county.

The Department of Revenue must make payments each year at the same time as payments of county program aid (CPA), except that in calendar year 2014 all the payments must be made at the time of the first CPA payment. The appropriation is $4,500,000 for CY 2014, and $10 million per year each year thereafter.
Status: Signed into law; Chapter 308

Cross-Agency Rulemaking

The state agencies put forward a bill that was identified as an 'unsession' bill. The state agencies proposed ideas pertaining to the rulemaking process to make the process shorter and more efficient. As the bill was introduced AMC, other local units of government, and a variety of business interests expressed concerns. We were able to work with the agencies to come to an acceptable agreement for proposed changes but the bill was not passed off of the Senate floor.
Status: Did not pass; H.F.2724, S.F.2467

Drainage Systems

This bill was developed by the Drainage Work Group, of which AMC is a member. Clarifying changes were made to drainage statutes that outline what should be looked at when drainage criteria are established. The new language additionally directs the drainage authority to clearly define the criteria to be considered, including multipurpose water management criteria. A new subdivision was added to further clarify how a drainage system could utilize external sources of funding for wetland preservation or restoration, water quality improvements or flood control. It requires investigation and early coordination with applicable water planning authorities.
Status: Signed into law; Chapter 164

Drainage Inspectors

Language that states that a drainage inspector cannot be a county commissioner, traveled through committee as an individual bill and was also added to the Game and Fish bill. AMC staff testified in various committees about concerns relayed by some rural counties on the matter. The final language was sent to the governor via the Game and Fish bill gives counties until August 1, 2015 to designate someone other than a commissioner to act as their drainage inspector if they have not already done so.
Status: Presented to the governor; Chapter 290, Section 50

Groundwater Management Areas and Advisory Teams

New language was added to the section on groundwater management areas stating "at least 30 days prior to implementing or modifying a groundwater management area plan...the commissioner shall consult with the advisory team established..." It also specifies who will be on the groundwater advisory team and indicates that AMC will be consulted with prior to appointing advisory team members.
Status: Signed into law; Chapter 290, Section 56

Payments in Lieu of Taxes (PILT)

The omnibus tax bill contained several small, but important, corrections to Payments in Lieu of Tax (PILT) calculations. The law:

- Modifies the payment for wildlife management land to be the greater of $5.133 per acre or three-fourth of one percent of appraised value. The $5.133/acre alternative was omitted last year but this is the same payment alternative used for other types of natural resource lands such as acquired, transportation wetland, and LUP land. This change is retroactively effective for payments made in calendar year 2013, and the new law provides for a one time additional payment by June 30, 2014 to counties that would have received more PILT payments on wildlife lands in 2013 with this retroactive change.
- Clarifies that a township with qualifying land receives ten percent of the payment a county receives for the land in that township. This ratifies the distribution mechanism actually used in 2013. The law is effective retroactively beginning with payments in calendar year 2013.
- Provides a mechanism to allocate the extra $300,000 annually to pay ditch assessments on consolidated conservation (con-con) lands. This additional funding was passed as part of the changes made to PILT in 2013. The new language specifies that the money shall be distributed to counties in proportion to each county's percentage of the total annual ditch assessments. The commissioner of natural resources is instructed to certify the number of acres and appraised values for wildlife management lands for calendar year 2013 to the commissioner of revenue by June 15, 2014. The commissioner of revenue shall make the payment by June 30. In future years, each auditor of a county that contains state-owned lands within a conservation area shall determine and certify to the commissioner of natural resources by May 31 of the payment year, the county's ditch assessments for state-owned lands. A joint certification for two or more counties may be submitted to the commissioner of natural resources through the Consolidated Conservation Counties Joint Powers Board. The commissioner of natural resources shall certify the ditch assessments to the commissioner of revenue by June 15 of the payment year. The commissioner of revenue shall make payment to counties by July 15.

Status: Signed into law; Chapter 308

General Government

For additional information on this section, please contact Julie Ring, AMC Executive Director, at 651-789-4330 or ring@mncounties.org.

TAX POLICY

Aids to Local Government

County Program Aid

The governor signed into law legislation that provides a temporary increased in County Program Aid to Beltrami and Mahnomen Counties. The aid is paid directly from the state's General Fund, and does not impact CPA payments to other counties. Under the law:

- Beltrami County will receive an additional $3 million per year in County Program Aid from 2015 to 2024. The money is to be used for out-of-home placement costs.
- Mahnomen County will receive an additional $1.5 million in County Program Aid in 2015 only. Of this, the County would be required to pay $750,000 of that appropriation to the White Earth Band of Ojibwe for transition costs associated with health and human services.

Status: Signed into law; Chapter 150

The omnibus tax bill included a provision that authorizes a one-time supplemental county program aid (CPA) payment for 2014 for any county whose 2014 CPA was less than it received in 2013. The amount of supplemental aid is equal to the drop in aid between 2013 and 2014. This supplemental aid will be paid to the following 11 counties: Big Stone; Chippewa; Faribault; Grant; Lac qui Parle; Marshall; Martin; Norman; Pipestone; Stevens; and Yellow Medicine.

Status: Signed into law; Chapter 308

Local Government Aid

The omnibus tax bill increases the city Local Government Aid appropriation beginning in CY 2015, by $7.8 million. This replaces the current law appropriation of $509.1 million in CY 2015 with an appropriation of $516.9 million, and an appropriation of $511.6 million in CY 2016 and thereafter with an appropriation of $519.4 million.

Status: Signed into law; Chapter 308

PROPERTY TAX AIDS AND CREDITS

Agricultural Market Value Credit

The omnibus tax bill increased the rate of the agricultural homestead market value credit so that it reaches a maximum of $490 at a market value of $270,000 and over. Under current law, it reaches a maximum of $345 at $115,000 of value, but then decreases to $230 at a value of $345,000 and over. This change is effective beginning with taxes payable in 2015.

In addition, there will be a supplemental agricultural homestead market value credit paid in 2014. The new law provides that each agricultural homestead receiving an agricultural market value credit for taxes payable in 2014 is eligible for a supplemental credit of $205, provided the credit does not exceed the net taxes on the property. The law requires each county to provide the commissioner of revenue with the necessary information by August 15, 2014 (this includes the name and address of the property owner of each homestead that received an agricultural credit for taxes payable in 2014, along with the net taxes due upon the agricultural homestead, whether there are any delinquent taxes on the property, and whatever other information the commissioner deems necessary). The supplemental credit will not be paid to any homestead having delinquent taxes. The Department of Revenue will pay the supplemental credit amount directly to each qualifying property owner by October 15, 2014.

The law also requires that the proposed and final property tax statements for taxes payable in 2015 must provide a notation that a supplemental credit was paid in 2014.

Status: Signed into law; Chapter 308

The House Tax Committee considered a bill that would have provided an agricultural market value credit of $5 per acre for acreage being used for organic production, as defined in state law. This provision did not pass.

Status: Did not pass; HF2758

Homestead credit refund and renter property tax refund increase

The omnibus tax bill increased all homestead credit refunds based on taxes payable in 2014 by three percent, and all renter property tax refunds based on rent paid in 2013 by six percent. These refunds are typically filed in calendar year 2014 and paid beginning in August 2014 for renters and in September 2014 for homeowners.

Status: Signed into law; Chapter 308

Disparity Reduction Credit

The omnibus tax bill added the city of Ortonville to the four border cities that have historically received the credit (Moorhead, Dilworth, East Grand Forks, and Breckenridge). The new law increases the credit to the amount necessary to reduce the effective tax rate on commercial-industrial and apartment properties in the five border cities to 1.6 percent, versus the current percent. The new law is effective beginning with taxes payable in 2015.

Status: Signed into law; Chapter 308

Supplemental Firefighter Retirement State Aid

The omnibus tax bill adds all independent nonprofit firefighting corporations, regardless of pension fund used, in the definition of "municipality" for purposes of paying supplemental firefighter retirement state aid. These groups were inadvertently omitted when this new aid program was established in 2013. The new law also makes a correction to a percentage used in allocating the aid to the various pension funds so the total equals 100%.

Status: Signed into law; Chapter 308

Volunteer First Responder Aid Pilot

The omnibus tax bill provides for a three-year pilot program to pay $500 stipends to volunteer firefighters, volunteer ambulance attendants, and volunteer emergency medical responders who serve providers headquartered in a pilot area, with the objective of improving volunteer recruitment and retention. The pilot area consists of four groups of counties:

- Southern Minnesota: Faribault, Fillmore, Freeborn, Houston, and Watonwan
- West Central Minnesota: Chippewa, Kandiyohi, Redwood, and Renville
- Central Minnesota: Morrison and Todd
- North Central Minnesota: Beltrami, Clearwater, and Mahnomen

The new law directs the commissioner of public safety to annually certify lists of eligible volunteers to the commissioner of revenue who will pay aid enabling the entities that volunteers served to pay a $500 stipend to each individual who volunteered for the entire previous calendar year. The pilot provides for the aid to be paid in calendar years 2015, 2016, and 2017 for volunteer service provided in 2014, 2015, and 2016.

Status: Signed into law; Chapter 308

Property Assessment, Classification and Valuation

Assessor Licensure

Several bills were introduced this session to undo last year's law change requiring every individual who appraises or physically inspects real property for the purpose of determining its valuation or classification for property tax purposes must obtain licensure as an accredited Minnesota assessor from the State Board of Assessors by July 1, 2019, or within four years of that person having become licensed as a certified Minnesota assessor, whichever is later. However, none of these bills were heard in either the House or Senate Tax Committees, and no changes were made to this mandate this session.

Status: Did not pass; S.F.2651/H.F.2807; S.F.2278/H.F.2726; S.F.2229/H.F.2308

Property Tax Classifications

The House Property and Local Tax Division approved language as part of their official division report that would have taken a small step towards simplifying the state's complex property tax classification system. The proposal:

- Repealed class 1d migrant housing, class 2c managed forest land, 2d private airports, and 2e unmined commercial aggregate classifications;
- Eliminated class 4c bed and breakfast, indoor recreation, seasonal restaurants on lakes, resorts on state trails, marinas, and airport hangers on private or public land classifications,
- Repealed the aggregate resource preservation statute, as well as a reference to statewide average estimated market value for class 2c managed forest land.

However, the language was not included in the final omnibus tax bill.

Status: Did not pass; H.F. 1884

Conservation Land Valuation

This new law clarifies changes to the 2013 law that prohibited assessors from reducing the value of a property based on a conservation easement or restriction. The prohibition only applies to land enrolled in a conservation easement after May 23, 2013 (the enactment date of last year's law), and would also remove language that limited the application of this section to land placed in a restriction or easement for a conservation purpose "as defined in section 84.64, subdivision 2." The bill would strike reference to that specific statute to ensure that this provision applies to all restrictions or easements for conservation purposes.

Status: Signed into law; Chapter 150

Business Production Property Valuation

The omnibus tax bill contained a provision that states that the exterior shell of a structure used in the production of biofuels, wine, beer, distilled beverages, and dairy products is not included in the definition of real property, even if the shell has structural, insulation, or temperature control functions.

The exterior shell of the structure, however, is real property if it is used primarily for storage of ingredients or materials used in the production of biofuels, wine, beer, distilled beverages, and dairy products, or the storage of those finished products. This change is effective beginning with taxes payable in 2016.

The new law also provides for the payment of transition aid to cities and towns that lose five percent or more of their net tax capacity due to this change in the definition of "real property." For aid beginning in 2016, qualifying cities and towns will receive full compensation for the decrease in tax base. The transition aid then phases out over the next four years, with aid payments stepped down by 20 percent each year. No aids are payable in 2021 and thereafter.

Status: Signed into law; Chapter 308

Electric Generation Facilities

The omnibus tax bill includes several provisions related to electric generation facilities. The new law:

- Requires the Department of Revenue to develop an electronic means to notify interested parties when an application has been filed for a pollution control exemption by an electric generation facility, and when an order for exemption has been issued.
- Requires the Department of Revenue to develop an electronic means to notify interested parties when an application has been filed for sliding scale valuation exclusion by an electric generation facility, and when an exclusion has been approved.
- Provides that for taxes payable in 2016 and thereafter, the sliding scale exclusion will only be available to facilities that (1) were eligible for the exclusion for taxes payable in 2015, or (2) are facilities that were converted from coal to an alternative fuel, with a pre-conversion capacity of less than 75 megawatts.
- Extends, by five years, the time frame that an electric generation facility in Beltrami County must commence construction in order to receive a personal property tax exemption.

Status: Signed into law; Chapter 308

Solar Energy-Generating Systems

The omnibus tax bill amends the existing exemption of solar photovoltaic devices to instead exempt "solar energy-generating systems," as now defined in statute.

The new law also specifies that if the real property upon which a solar energy generating system is located is subject to the solar energy production tax (see below) under section 272.0295, the real property shall be classified as class 3a (commercial-industrial). If the solar energy generating system is not subject to the production tax, the underlying real property shall be classified without regard to the system.

The law also establishes a new Solar Energy Production Tax. Solar energy systems with capacity of one megawatt alternating current or less are exempt from the tax. Larger systems are taxed at a rate of $1.20 per megawatt-hour produced. The tax is to be paid at the same time and in the same manner as the property tax, and is subject to the same treatment if unpaid. Counties retain 80 percent of the tax, and distribute 20 percent to cities and towns.

In addition, the new law appropriates $150,000 in fiscal year 2015 from the state's General Fund to finance a study and analysis of the property taxation of energy producing systems in Minnesota, including both traditional and renewable energy sources. The study must address the costs imposed on host communities by the various types of facilities, compared to the tax revenues received by the host communities. The study must also address the burden of taxation on Minnesota facilities compared to facilities in neighboring states. The report must specifically make recommendations on the taxation of solar energy producing systems. A report is due on February 1, 2015.

Status: Signed into law; Chapter 308

Homestead of Disabled Veterans

The omnibus tax bill extended the time period for the surviving spouse of a totally disabled veteran to continue to receive the disabled veteran's property tax benefit from five years to eight years. It provides the same extension for surviving spouses of military personnel who are killed in action.

Status: Signed into law; Chapter 308

Levies

Emergency Medical Service District Levy Authority

The omnibus tax bill increased the levy authority for emergency medical service districts from $400,000 to $550,000 beginning with taxes payable in 2016. Under current law, the levy authority is limited to 0.048% of the taxable market value of the district or $400,000, whichever is less.

Status: Signed into law; Chapter 308

Property Tax Administration

Preliminary Levy Date

The omnibus tax bill extends the deadline for counties and cities to certify their proposed levies from Sept. 15 to Sept. 30. The deadline for towns and special taxing districts remains Sept. 15.
Status: Signed into law; Chapter 308

Interest Rate On Unpaid Property Taxes

The omnibus tax bill contains a provision that reduces the interest rate on unpaid taxes in a composite confession of judgment on homesteaded properties.
Under present law, the interest rate on confession of judgments fluctuates between a minimum of 10 percent and maximum of 14 percent. For 2014 it is 10 percent. By contrast, the interest rate on unpaid state taxes is currently 3 percent.
The new law provides a lower interest rate for homesteaded property (both regular and disabled) on which the taxpayer/property owner has agreed to an installment payment agreement (commonly referred to as "confession of judgment").
It sets the rate for these payments as the greater of:

- 5 percent; or
- 2 percentage points over the prime rate charged by banks to their most creditworthy borrowers.

The rate when the installment payment agreement is entered will be fixed (regardless of fluctuations in the prime rate over the term of the installment payment agreement) for the duration of the confession of judgment
This law is effective for judgments entered into after January 1, 2015.
Status: Signed into law; Chapter 308

Local Tax Provisions

Lewis and Clark Regional Water System Project (Rock and Nobles County)

The omnibus tax bill provides local bonding and taxing authority, as well as state aid, to assist local governments in southwestern Minnesota in completing construction of the Lewis and Clark Regional Water System Project.
The new law provides authority for the cities of Luverne and Worthington and Rock and Nobles counties to issue up to $45 million in bonds for the Lewis and Clark Regional Water System Project. The limit on these bonds will be allocated among the four governmental units by the Lewis and Clark Joint Powers Board, as well as the responsibility for repaying them and any federal aid received. The obligations are not subject to referendum approval or statutory net debt limits.
The law also provides that the Lewis and Clark Joint Powers Board will allocate to each of its members and to Rock and Nobles Counties a share of the local responsibility to repay the bonds; and provides that 50 percent of any future federal grants and aids for the project will be used to reduce these local shares proportionately.
The law also provides for the Department of Revenue to pay state aid to the Lewis and Clark Joint Powers Board to pay the debt service on the local bonds issued to finance the Lewis and Clark water project. The aid equals the payments of principal and interest on the bonds due in the next year less (1) 1.5 percent of the combined adjusted net tax capacity of Rock and Nobles counties and (2) 50 percent of any federal grants and aids received for the project. Aid will be paid in July and December at the same time as provided under the LGA and CPA programs. The joint powers board will allocate the aid to the cities and counties that issue the bonds in proportion to their shares of debt service payments.
If the federal grants and aids received for the project that are used to pay the local share of debt service are more than the local payment obligation (i.e., excluding that paid with state aid), the joint powers board must repay the excess (up to the full amount of the state aid) to the commissioner of revenue.

The law also authorizes Rock and Nobles counties, along with the cities of Luverne and Worthington, to impose a 0.5 percent sales tax to fund the Lewis and Clark water project. Approval of tax would not require voter approval. Revenues must be used for the water project; however, if revenues in a year exceed the amount required to pay the county's share of debt service the excess may be used for other capital projects in the county. The tax terminates when the bonds for the water project have been paid off or the county board votes to terminate the tax. The entities cannot terminate the tax unless it has determined it has collected sufficient revenues (including state and federal aid) to pay its share of the bonds.
Status: Signed into law; Chapter 308

Anoka County

The omnibus tax bill allows Anoka County to levy property taxes for public safety improvements and equipment. Currently, Anoka County has the authority to bond for public safety projects on behalf of the Anoka County Joint Law Enforcement Council. This new law allows the county to levy for projects and have the levy continue to appear on a separate line on the TNT and property tax statement. This is effective for taxes payable in 2013 through 2023.
Status: Signed into law; Chapter 308

Carlton County

The omnibus tax bill authorizes Carlton County to impose a levy on behalf of the Carlton County Soil and Water Conservation District to pay for planning, constructing and equipping an office and storage facility for the District. The law provides that the levy authority expires after the principal, interest, and any costs of a loan to finance the project have been paid off, or that the levy authority expires if the district is unable to obtain a loan for the project prior to May 1, 2017. The levy authority is subject to local approval by the Carlton County board
Status: Signed into law; Chapter 308

Dakota County

The omnibus tax bill creates new eligibility for projects to use allocations of federal low income housing tax credits in the first round for Dakota CCDA. The tax credits are available for up to three projects for either new or rehabilitated multifamily housing, that is not restricted to those over 55, and is located in a commuter area located close to certain high frequency use transit stations, lines, and park and ride lots. Effective for the 2015 allocation of housing credits.
Status: Signed into law; Chapter 308

Itasca County

Governor Dayton signed into law a bill that grants Itasca County the authority to issue either revenue or general obligation bonds to construct a replacement facility for a county nursing home. Itasca County currently has authority to only issue revenue bonds for the project.
Status: Signed into law; Chapter 150

Ramsey County

The omnibus tax bill authorizes the Ramsey County HRA to exercise housing improvement area (HIA) powers. The HRA would be allowed to do this by resolution, rather than ordinance, as is required for cities exercising those powers. The city in which the housing improvement area would be established may veto it by resolution. Effective the day following final enactment.
Status: Signed into law; Chapter 308

Rock County

The omnibus tax bill included a provision to extend for ten years the authority for a county that borders two other states and that is not contiguous to a Minnesota county with an aggregate tax to impose the tax at 7 cents per ton or 10 cents per cubic yard. (The general law requires counties to impose aggregate tax, if they elect to use the authority, at a rate of 21.5 cents per cubic yard or 15 cents per ton.) Rock County is the only county using this statutory authority. The section extends the authority to impose the tax at a lower rate, which is set to expire December 31, 2014, through 2024.

Status: Signed into law; Chapter 308

Tax Increment Financing (TIF)

In various bills, the governor signed into law provisions granting the following TIF authority:

- Extending the 5-year rule to eight years for redevelopment districts certified after April 20, 2009 and before June 30, 2012.
- Allowing cities to elect to make the fiscal disparities contribution for economic development districts in the same ways that are available for other types of districts. This will allow the city to elect to make the contribution out of the city's tax base. Under present law, the contribution must be made from the TIF district's increment.
- Extending, by two years, the authority for the city of Detroit Lakes to approve a tax increment financing district.
- Allowing the city of St. Paul to use tax increment from a 2008 TIF district to pay principal and interest on bond obligations issued in 2009 for the RiverCentre arena.
- Modifying the 2013 special legislation for the city of Bloomington that authorized expenditure of the first year of the fiscal disparities increment from the Mall of America for the renovation or replacement of the Old Cedar Avenue Bridge.
- Allowing the city of Baxter to add a parcel to an economic development TIF district that was created under the 2010 Jobs Bill authority.
- Allowing the city of Eagan to elect to compute increment for the Cedar Grove redevelopment TIF district using the current tax rate, not the original tax rate in effect when the district was certified. Also, allowing the city to extend the 5-year rule for the district to 13 years. The 2010 Jobs Bill extended the basic 5-year rule to 10 years for this district, so this adds three years to the period, and allowing the city to extend the duration of the district by three years (to 2032).
- Authorizes the city of Edina to create one or more housing districts in its Southeast Edina Redevelopment Project Area through June 30, 2017.
- Authorizes the city of Maple Grove to create TIF districts (until December 31, 2020) under special rules in a defined area of the city.
- Allows the city of Mound to extend the 5-year rule for its Mound Harbor TIF district by 13 years.
- Allows the city of North St. Paul additional time to request certification of a redevelopment district using the general law "deeming" provision for a specified parcel.
- Provides authority to the city of Savage to establish TIF districts in an area of the city containing a gravel mining site under rules that mirror those provided to Maple Grove.
- Authorizes the city of Shoreview to establish up to three economic development TIF districts for business retention and expansion.

Status: Signed into law; Chapter 150; Chapter 308

Sales Tax

Local Government Sales Tax Exemption

The omnibus tax bill contains important changes to the county and city sales tax exemption that was approved in 2013, and took effect Jan. 1, 2014.

Currently, the sales tax exemption for local governments covers purchases made by cities, counties and towns. AMC and other local government groups have worked this session to expand this exemption to cover purchases made by joint powers and other collaborative entities.

Under the new law, the exemption will be expanded to include:

- Special districts (under M.S. 6.465);
- Any instrumentality of a city, county, or township (under M.S. 471.59); and
- Any joint powers board or organization (under M.S. 471.59)

These new entities will become exempt on January 1, 2016, except the Metropolitan Council will become exempt on Jan. 1, 2017.

In addition, local government groups worked to modify the provision in current law that prohibits local governments from taking advantage of the sales tax exemption on purchases made as inputs to "goods and services generally provided by a private business." The new law strikes the "private business" clause, and replaces it with a definitive list of purchases that will remain taxable. This list will include purchases by local governments for a liquor store; gas or electric utility; solid waste hauling service; solid waste recycling service; landfill; golf course; marina; campground; café; and/or laundromat.

This new definitive list, and the striking of the "private business clause," will take effect on June 30, 2014. Note that current law provides several specific sales tax exemptions related to solid waste services, which will still apply to local government purchases.

Status: Signed into law; Chapter 308

In addition, the Legislature also considered, but did not pass, provisions that would have:

- Exempted city and county purchases of road maintenance vehicles (such as snow plows and dump trucks) from the Motor Vehicle Sales Tax. Townships already receive this exemption.
- Provided a simplified process for counties to utilize the sales tax exemption on material purchases made by contractors and subcontractors on behalf of the county. Under this proposal, contractors would pay an upfront sales tax on material purchases, but the local government would then be allowed to apply for a sales tax refund on all purchases made on their behalf.

Status: Did not pass; H.F.1892/S.F.1789 and S.F. 1862/H.F. 2423

Greater Minnesota Business Expansions

The omnibus tax bill made several refinements to the existing sales tax exemption for Greater Minnesota business expansions. The new law:

- Changes the definition of businesses that can qualify for the exemption to exclude a number of nonmanufacturing businesses including legal, accounting, and consulting services, and leisure, lodging, and health care businesses. Retail businesses and public utilities are already excluded.
- Simplifies the employment expansion requirements for qualifying for the sales tax exemption for Greater Minnesota business expansions to the greater of (1) two employees or (2) 10 percent of the business's current number of employees. Limits the agreement to a seven year period rather than a 12 year period. Allows the commissioner of employment and economic development (DEED) 90 days rather than 60 days to act on an application for this program.
- Limits the sales tax exemption for any Greater Minnesota qualified business to $2 million annually and a total of $10 million. Currently there is no limit.
- Specifies that the exemption only applies to purchases to be used at the facility in Greater Minnesota identified in the business subsidy agreement and limits the total amount of refund to a business to the amount in the business subsidy agreement.

These changes are effective immediately.

Status: Signed into law; Chapter 308

Mining and Minerals Taxes

Taconite Production Tax

The governor signed into law legislation containing the following changes to the Taconite Production Tax and Occupation Tax:

- Reducing, by five cents, the allocation of the taconite production tax that is allocated to counties. In a subsequent tax bill, this provision was modified to increase the production tax distribution to the county road and bridge funds by 5 cents per ton (cpt), effective for the 2024 distribution. This limits that diversion to a 9-year period (2015-2023).
- Reducing, by five cents, the allocation of the taconite production tax that is allocated to the taconite economic development fund.
- Annually appropriating, from the occupation tax distribution that is deposited into the general fund, an amount equal to that which would have been generated by six cents tax of the production tax.
- Creating a school account that receives a ten cent distribution of the production tax and the distribution of the occupation tax and the inflation adjustment for the production tax. The IRRRB is authorized to use funds in the account only to assist school districts within the taconite relief area with the repayment of bonds issued for qualified school projects. All expenditures must be approved by seven members of the IRRRB.

In addition, the omnibus tax bill provided for a special distribution of 18.84 cents per ton (cpt) of 2014 production tax revenues. This money is to come from surplus in the fund used to pay taconite homestead credit and payments are to be made within ten days of the August 2014 distribution.

The special distribution is allocated (references are to cities unless town or township is specified):

- 1.3 cpt for a Silver Bay water project
- 0.5 cpt to Grand Rapids for Reif Center landscaping
- 0.65 cpt to LaPrairie for business expansion improvements
- 0.78 cpt for Cohasset infrastructure project
- 0.39 cpt for salt storage and cold storage buildings in Balkan Township
- 3 cpts to McKinley for water project, subject to a matching fund requirement and expiring after three years
- 6.5 cpt to IRRRB for township block grants
- 0.5 cpt for Marble water main and looping project

- 0.65 cpt for Nashwauk infrastructure project
- 0.35 cpt for demolition of a public building in Babbitt
- 0.65 cpt for Hoyt Lakes storm water project
- 0.65 cpt for Aurora infrastructure project
- 0.65 cpt for Silver Creek infrastructure project
- 0.5 cpt for Calumet infrastructure project
- 05 cpt for Nashwauk town hall H.F. 3167 May 15, 2014
- 0.5 cpt Biwabik waste water treatment repairs
- 0.47 cpt for Cuyuna city projects
- 0.3 cpt Morse Township trail

Status: Signed into law; Chapter 150; Chapter 308

Iron Range Fiscal Disparities

The governor signed into law a bill providing that if insufficient funds exist in the Iron Range school consolidation and cooperatively operated school account to make payments as authorized, the Iron Range Resources and Rehabilitation Board may receive up to 25% of the distribution levy under the Iron Range fiscal disparities program.

Status: Signed into law; Chapter 150

Net Proceeds Tax on Non-Ferrous Mining

The omnibus tax bill modified the distribution of the net proceeds tax (imposed on nonferrous mining in lieu of the property tax) for the five-percent share to the city or town, the 10-percent share to the school district, and the 20-percent share to the county in which the mine is located in situation where the concentration plant is located in a different city/town, school district, or county.

The changes in all three cases provide for splitting the proceeds between the jurisdiction with the mine and concentration plant, when they are not the same. The commissioner of revenue will make this split on an equal basis between the governmental units with mining versus the concentration or processing facilities. If multiple jurisdictions are involved (e.g., a mine in two towns or cities) the commissioner is to give "due consideration to the relative extent of such operations performed in each taxing district." This language parallels the language used for allocating taconite production tax revenue. For the county distribution, one percent must be allocated to the Range Association of Municipalities.

In addition, the distribution to the Douglas J. Johnson economic protection fund is reduced from five percent to three percent of revenues and the environmental protection fund is increased from five percent to seven percent of revenues.

Status: Signed into law; Chapter 308

COUNTY GOVERNANCE

Appointment of County Offices

Five counties were granted the authority this session to make certain county offices appointed through county board action. This included the following counties/offices:

- Jackson County - Auditor-Treasurer
- Lake County - Auditor-Treasurer and Recorder
- Clay County - Auditor-Treasurer and Recorder
- Kandiyohi County - Auditor-Treasurer and Recorder
- Lyon County - Auditor-Treasurer and Recorder

Status: Signed into law; Chapter 146

In addition, a sixth county – Becker County – sought legislative approval to combine the offices of auditor-treasurer and recorder and make the combined office an appointed position. That proposal was approved by the House, but failed to receive a final vote in the Senate.

Status: Did not pass; H.F. 2830

Contracting and Bidding

Responsible Contractor Requirement

The governor signed into law a bill that establishes minimum criteria that a contractor must meet to be awarded a construction contract over $50,000 by a public entity.

Under the bill, a contractor that is awarded a public construction contract estimated to exceed $50,000 through a lowest responsible bidder or best value selection method must meet the definition of a "responsible contractor" under the new law (though if only one prime contractor responds to a solicitation document, a contracting authority may award a construction contract to the responding prime contractor even if the minimum criteria are not met). A subcontractor must meet the same criteria to be eligible to be awarded a subcontract on a project regardless of the value of the subcontract.

To be a "responsible contractor," a contractor must:

- Be in compliance with workers' compensation and unemployment insurance requirements;
- Be currently registered with the Department of Revenue and the Department of Employment and Economic Development if it has employees;
- Have a valid federal tax identification number or a valid Social Security number if an individual and have filed a certificate of authority to transact business in Minnesota with the secretary of state if a foreign corporation or cooperative;
- Have been in compliance with and, during the three-year period before submitting the verification, not have violated a variety of labor standards and wage laws, including minimum wage, overtime, prevailing wage, prompt payment of wages, and employee classification (Minnesota Statutes 177.24, 177.25, 177.41 to 177.44, 181.13, 181.14, or 181.722, United States Code, title 29, sections 201 to 219, or United States Code, title 40, sections 3141 to 3148.); and
- Be in compliance with and, during the three-year period before submitting the verification, not violated section independent contractor laws and construction codes and licensing law.

And must not have:

- Repeatedly failed to pay statutorily required wages or penalties on one or more separate projects for a total underpayment of $25,000 or more within the three-year period;
- Been issued an order to comply by the commissioner of labor and industry that has become final;
- Been issued at least two determination letters within the three-year period by the Department of Transportation finding an underpayment by the contractor or related entity to its own employees;
- Been found by the commissioner of labor and industry to have repeatedly or willfully violated any of the sections referenced in this clause pursuant to section 177.27;
- Been issued a ruling or findings of underpayment by the administrator of the Wage and Hour Division of the United States Department of Labor that have become final or have been upheld by an administrative law judge or the Administrative Review Board; or
- Been found liable for underpayment of wages or penalties or misrepresenting a construction worker as an independent contractor in an action brought in a court having jurisdiction.
- Received a final determination assessing a monetary sanction from the Department of Administration or Transportation for failure to meet targeted group business, disadvantaged business enterprise, or veteran-owned business goals, due to a lack of good faith effort, more than once during the three-year period before submitting the verification; and.

- Be currently suspended or debarred by the federal government or the state of Minnesota or any of its departments, commissions, agencies, or political subdivisions.

In order to be awarded a qualifying contractor, the contractor must submit to the contracting authority a signed statement under oath by an owner or officer verifying compliance with each of the minimum criteria. All subcontractors must submit the same statement to the contractor. A contracting authority may accept a sworn statement as sufficient to demonstrate that a contractor is a responsible contractor and shall not be held liable for awarding a contract in reasonable reliance on that statement.

Failure to verify compliance with any one of the minimum criteria or a false statement under oath in a verification of compliance shall render the prime contractor or subcontractor that makes the false statement ineligible to be awarded a construction contract on the project for which the verification was submitted.

A false statement under oath verifying compliance with any of the minimum criteria may result in termination of a construction contract that has already been awarded to a prime contractor or subcontractor that submits a false statement. A contracting authority shall not be liable for declining to award a contract or terminating a contract based on a reasonable determination that the contractor failed to verify compliance with the minimum criteria or falsely stated that it meets the minimum criteria.

Nothing in this law restricts the discretion of a contracting authority to establish additional criteria for defining a responsible contractor.

Public entities must include the following in solicitation documents:

- The definition of responsible contractor or a statement that the term responsible contractor as used in the solicitation document has the meaning provided in statute (16C.285).
- A statement that any prime contractor or subcontractor that does not meet the minimum criteria or fails to verify that it meets those criteria is not a responsible contractor and is not eligible to be awarded a construction contract for the project or to perform work on the project.
- A statement that a false statement under oath verifying compliance with any of the minimum criteria shall render the prime contractor or subcontractor that makes the false statement ineligible to be awarded a construction contract on the project and may result in termination of a contract awarded to a prime contractor or subcontractor that submits a false statement.
- A statement that a prime contractor shall submit to the contracting authority upon request copies of the signed verifications of compliance from all subcontractors.

This law is effective January 1, 2015, and applies to all construction contracts entered into based on solicitation documents issued on or after that date.

Signed into law; Chapter 253

Veteran Bid Preference

The Legislature considered a bill that would have required counties to establish a bid-preference program for veteran-owned businesses for any capital project within its jurisdiction to improve land or buildings paid for in part or in whole with state funds. The proposal did not advance to either the House or Senate floors.

Status: Did not pass; H.F. 2011

Private Contracting Requirements

Legislation was introduced this session that would have required local governments to meet extensive reporting requirements and perform specific cost-benefit analysis before entering into a contract worth more than $25,000 with a private entity, and the bill was scheduled for a hearing before the House Government Operations Committee. However, the bill was pulled from the hearing schedule after local government groups raised significant concerns with the proposal. No further action was taken on the bill.

Status: Did not pass; H.F. 2459

County Veterans Service Officers

Legislation was introduced this session that would have modified the job duties of County Veterans Service Officers, by mandating that CVSOs encourage all veterans to participate in health and dental insurance programs and assist veterans in acquiring coverage, where necessary. This provision did not make it out of committee, and was not passed

Status: Did not pass; H.F. 2557

Investment Reporting

A new law modifies certain reporting provisions for the trust accounts of local governments and other public entities to report to the state auditor.

The new law strikes the requirement to report the "annual rates of return, along with investment and administrative fees and costs for the trust, must be disclosed in the political subdivision's or public entity's annual financial audit in a manner prescribed by the state auditor." That requirement is replaced with a requirement to report electronically the following:

(1) market value;

(2) contributions and withdrawals made by the public entity;

(3) time-weighted annual rates of return net of all costs and fees; and

(4) all investment management and plan administrative fees and costs for the trust for the year.

The new law also delays the start of the requirement to report to the state auditor until October 25, 2015, for the fiscal year ending June 30, 2015.

Status: Signed into law; Chapter 307

Notaries

A new law increases the maximum fees that can be charged by a notary public for certain services:

- For protest of nonpayment of note or bill of exchange or of nonacceptance of such bill; where protest is legally necessary, and copy thereof, the maximum fee is increased from $1 to $5.
- For every other protest and copy, the maximum fee is increased from $1 to $5.
- For making and serving every notice of nonpayment of note or nonacceptance of bill and copy thereof, the maximum fee is increased from $1 to $5.
- For any affidavit or paper for which provision is not made herein, the maximum fee is increased from $1 to $5 per folio, and from 20 cents to $1 per folio for copies;
- For each oath administered, the maximum fee is increased from $1 to $5.
- For recording each instrument required by law to be recorded by the notary, the maximum fee is increased from $1 to $5 per folio.

This change is effective August 1, 2014.

Status: Signed into law; Chapter 301

Open Meeting Law

The governor signed into law legislation related to the use of social media under the state's Open Meeting Law. The new law states that the use of social media by members of a public body does not violate this chapter so long as the social media use is limited to exchanges with all members of the general public. For purposes of this section, e-mail is not considered a type of social media.

Status: Signed into law; Chapter 274

Publication Requirements

Legislation that would allow, but not require, local governments to publish official notices, summaries and proceedings on an official government website, rather than in a qualified newspaper, was considered by the Senate State and Local Government Committee this session. The committee took extensive testimony on the bill, but took no official action.

AMC joined the League of Minnesota Cities, the Minnesota Association of Townships, and the Minnesota School Boards Association in supporting the bill. The Minnesota Newspaper Association came out strongly against the bill, bringing local newspaper publishers from across the state to the hearing to testify against relieving local governments of this mandate.

Status: Did not pass; S.F. 1152

County-Specific Provisions

Blue Earth County

The governor signed into law special legislation for Blue Earth County providing that the county board is the authority over the county library system except for policies and rules governing library operations, review of operating budget and capital plans, gifts and trust funds for the library system. The existing library board is to have sole discretion and authority over the collections and use of meeting rooms. Provides for the county board to otherwise operate and administer the county library system. The law is effective upon local approval by Blue Earth County. This proposed special law for Blue Earth County is substantially similar to provisions enacted for Hennepin and Washington counties.

Status: Signed into law; Chapter 148

Dakota County

The governor signed into law special legislation for Dakota County that will allow the county board to adopt a modified version of the county manager plan (one of the optional forms of county government authorized in statute) by resolution and without a referendum, as long as the county otherwise meets the conditions in general law for adoption of the county manager plan. The special law will allow the county to adopt the plan without the requirement that prohibits the county board from dealing directly with subordinates, but will apply the section of the county manager plan relating to the abolition of various county boards. The bill is effective upon local approval.

Status: Signed into law; Chapter 167

Dodge County

Dodge County asked the Legislature to allow it to withdraw from the Southeast Minnesota Multicounty Housing and Redevelopment Authority. A bill to grant them this authority was heard by the Senate State and Local Government Committee. The bill was opposed by the Executive Director of SEMMCHRA, and the bill was laid on the table without action.

Status: Did not pass; S.F. 1872

Hennepin County

The governor signed into law a bill that adds additional political subdivisions to the Hennepin County multijurisdictional reinvestment program. Currently, the program involves Hennepin County, the cities of Minneapolis, Brooklyn Center, and other interested statutory or home rule charter cities in Hennepin County, the Minneapolis Park Board, and the Three Rivers Park District. This new law adds the Hennepin County Housing and Redevelopment Authority, and any watershed district entirely or partially located in Hennepin County to the program. The new law states that the program may include plans for a variety of issues, including economic development. Under current law, the program is required to include plans for a specific list of issues.

The new law also authorizes the Hennepin County Housing and Redevelopment Authority to appropriate funds for authorized activities. Hennepin County may include any part of the costs of a designated transit improvement area in the county's capital improvement plan. The program's authority to bond is not changed.
Status: Signed into law; Chapter 229

MAGIC Act

The MAGIC Act did not receive a hearing this session.
Status: Did not pass; S.F. 1036/H.F. 1072

HUMAN RESOURCES AND LABOR RELATIONS

Confidential Employee

Despite objections from public employers, the Legislature approved, and the governor signed, a bill that would modify the definition of "confidential employee" under the Public Employee Labor Relations Act (PELRA). Under current law, an employee that "has access" to an employer's labor relations data can be classified as confidential, as is excluded from joining a bargaining unit with other non-confidential employees. The new law tightens that definition to only employees that are "required to access and use" the labor relations data.
Status: Signed into law; Chapter 219

Joint Powers

Earlier this session, legislation was introduced to provide sweeping new wage and employment protections for public employees when local governments form joint powers entities or when one local government provides services for another. The proposal, supported by AFSCME Council 65, would have guaranteed any local government employee that became an employee of a joint powers entity that their wages would be permanently protected, their accrued leave and health care benefits would have been maintained from their previous position, and they would be able to choose to be laid-off (and receive unemployment benefits and re-employment assistance/training from their employer) rather than accept a transfer to the new entity.
AMC, in cooperation with other local government groups, fought hard against the legislation, and encouraged member counties to contact their legislators with concerns about the bill. Despite these objections, the bill was passed to the House and Senate floor with only minor amendments. At that point, local government groups reached out to Governor Dayton to ask for the administration's support in modifying a bill that would serve as a major roadblock to local government cooperation. Gov. Dayton's office responded by asking the Commissioner of the Bureau of Mediation Services to mediate discussions between AFSCME and local government associations.
After several weeks of discussion, a new bill emerged, and was sent to the bill's authors and leadership in the House and Senate. The compromise measure was added as a "delete-all" amendment on the House and Senate floor, approved, and signed into law by the governor.
The new law modifies the Public Employee Labor Relations Act to set out new rules that impact public employees and public employers whenever a new joint powers entity is formed that has its own governing board and the authority to hire its own employees. The new law does not impact when one local government entity contracts with another entity, nor does it apply to the formation of a Service Delivery Authority. These changes will apply to entities formed after January 15, 2015.
The law sets out a specific process to determine whether local government employees that are assigned to a new joint powers entity choose an employee representative (union), and how that employee representative is chosen if employees represented by multiple unions are assigned to the new entity. This system for choosing an employee representative is modeled after the same process used when the state took over district court operations from counties (M.S. 179A.102).

The law provides a specific process for an employee representative to be chosen for the employees of the new entity before the entity is created, if the employer and employee representatives agree. This process could begin after the local government entities finalize their intention to create a new entity, and could be completed before the new entity is officially created. The Bureau of Mediation Services would be allowed to certify an employee representative, and the new entity and the employee representative would be allowed to negotiate a collective bargaining agreement (CBA), before the entity is officially created. Employees could choose not to be unionized if the majority of employees transferred to the entity are not currently unionized.

If the employees of a new entity select an employee representative (union) and no CBA is reached before the employees begin working for the new entity, the employees of the new entity will remain covered by their previous CBAs until a new CBA is reached. However, if both sides agree, all employees can instead be covered by the CBA that applies to the largest portion of the new employees who are assigned to the new entity. If the employees of the new entity are not unionized, the employer has no obligation to continue the terms of a previous CBA.

Employee seniority would be based on old and new employment. Layoffs would be based on total seniority.

The law also grants employers the authority to discipline an employee for just cause who, at the time the joint powers entity was formed, would have been subject to discipline by a member of the entity. The new entity will also have the authority to receive access to private and confidential data relating to employees of the governmental units who become employees of the entity.

Status: Signed into law; Chapter 223

Minimum Wage

After more than a year of negotiation, the Legislature approved, and the governor signed, legislation to increase the state's minimum wage.

When the bill was passed, the state's minimum wage for large employers stood at $6.15 per hour, though most employers were subject to the federal $7.25 rate. The bill passed this session would:

- Increase the minimum wage for large employers (more than $500,000 in annual sales) to $8 per hour on August 1, 2014, $9 per hour on August 1, 2015 and $9.50 per hour on August 1, 2016.
- Increase the minimum wage for small employers to $6.50 per hour on August 1, 2014, $7.25 per hour on August 1, 2015 and $7.75 per hour on August 1, 2016. This lower minimum wage would also apply to large employers in the following circumstances: as a 90-day training wage for 18 and 19 year olds, and for all 16 and 17 year olds and employees working under a J1 visa.
- Beginning in 2018, all wages would increase each year on Jan. 1 by the rate of inflation measured by the implicit price deflator, with a cap of 2.5%.
- The indexed increase could be suspended for one year by the commissioner of the Department of Labor and Industry if leading economic indicators indicate the possibility of a substantial downturn in the economy. The suspension could only be implemented after a public hearing and public comment period. In better economic times, the suspended inflationary increase or a lesser amount could be added back into the minimum wage rate in a subsequent year.

Status: Signed into law; Chapter 166

Public Employment Relations Board

A new law creates the Public Employment Relations Board (PERB) to hear unfair labor practice charges under the Public Employment Labor Relations Act (PELRA). Many of these charges currently are heard in district court.

The governor will be responsible for appointing two members to the PERB – one representing public employees and one representing public employers – after reviewing the recommendations of employee and employer groups. The two appointees will jointly choose a third member. Alternates will also be chosen through a similar process. Appointees will serve four-year terms.

The PERB would hear unfair labor practice charges under PELRA and involving charitable hospitals, and appeals from determinations of the Commissioner of Mediation Services relating to unfair labor practices in the context of exclusive representative elections. The bill provides that PERB decisions, including dismissals of unfair labor practices charges, may be reviewed by the Court of Appeals. The bill also grants the PERB authority to hire investigators, hearing officers, and other necessary personnel.

In addition, the bill provides that public employees have the right to engage in concerted activity for the purpose of collective bargaining or other mutual aid or protection. This same provision is included in the National Labor Relations Act, which applies to most private employers, but not public employers.

Whenever an unfair labor practice charge is made, an investigator designated by the board will promptly conduct an investigation of the charge. Unless after the investigation the board finds that the charge has no reasonable basis in law or fact, the board shall promptly issue a complaint stating the charges, accompanied by a notice of hearing before a qualified hearing officer designated by the board (the hearing officer must be licensed to practice law in Minnesota). The hearing shall occur between five and 20 days after serving the complaint, provided that no complaint shall be issued based upon any unfair labor practice occurring more than six months prior to the filing of a charge.

The party who is the subject of the complaint has the right to file an answer to the original or amended complaint prior to hearing and to appear in person or by a representative and give testimony at the place and time fixed in the complaint. In the discretion of the hearing officer conducting the hearing or the board, any other party may be allowed to intervene in the proceeding and to present testimony.

At any time prior to the close of a hearing, the parties may by mutual agreement request referral to mediation, at which time the commissioner shall appoint a mediator, and the hearing shall be suspended pending the results of the mediation.

If the hearing officer determines that any party named in the charge has engaged in or is engaging in an unfair labor practice, then a recommended decision and order shall be issued stating findings of fact and conclusions, and requiring the party to cease and desist from the unfair labor practice, to post a cease-and-desist notice in the workplace, and ordering any appropriate relief to effectuate the policies of this section, including but not limited to reinstatement, back pay, and any other remedies that make a charging party whole. If back pay is awarded, the award must include interest at the rate of seven percent. The order further may require the party to make reports from time to time, and demonstrate the extent to which the party has complied with the order.

If there is no preponderance of evidence that the party named in the charge has engaged in or is engaging in the unfair labor practice, then the hearing officer shall issue a recommended decision and order stating findings of fact and dismissing the complaint.

The Board will be formed on July 1, 2014, and will begin hearing unfair labor practice charges on July 1, 2015.

Status: Signed into law; Chapter 211

Women's Economic Security Act

Throughout the legislative session, lawmakers advanced a series of proposals aimed at providing new workplace and labor protections for parents, nursing mothers and other workers. Towards the end of session, these various proposals were packaged together into one bill and dubbed the Women's Economic Security Act. WESA, as the bill came to be known, was signed into law by Governor Dayton.

The bill signed into law:

- Expands unpaid leave under the Minnesota Parental Leave Act from 6 to 12 weeks and allows us of leave under the Parental Leave Act for pregnancy-related needs. The leave shall begin at a time requested by the employee. The employer may adopt reasonable policies governing the timing of requests for unpaid leave and may require an employee who plans to take a leave under this section to give the employer reasonable notice of the date the leave shall commence and the estimated duration of the leave. The leave must begin within six months of the birth or adoption. The bill specifies that parental or pregnancy leave may be reduced by any period of paid parental, disability, personal, medical or sick leave, accrued vacation, or leave taken for the same purpose under federal law.
- Expands the use of personal sick leave to cover the care of a mother-in-law, father-in-law, or grandchildren; and for use in circumstances of domestic abuse, sexual assault, and stalking.
- Requires employers to provide reasonable accommodations for employees for health conditions related to pregnancy or childbirth if the employee requests accommodation with the advice of her licensed health care provider or certified doula, unless the accommodation would impose an undue hardship on the operation of the employer's business. Specifies that a pregnant employee is not required to obtain the advice of her health care provider or doula, and that an employer cannot claim undue hardship for the following accommodations: more frequent restroom, food, and water breaks; seating; and limits on lifting over 20 pounds. A reasonable accommodation includes temporary transfer to a less strenuous or hazardous position.
- Modifies language related to nursing mothers to add that the space an employer must make a reasonable effort to provide must be other than a bathroom be shielded from view and free from intrusion from coworkers and the public and must include access to an electrical outlet. Prohibits and employer from retaliating against an employee for asserting rights under this section.
- Prohibits employment discrimination on the basis of familial status.
- Adds sexual assault and stalking to the list of reasons that provide an exception to the denial of unemployment benefits to applicants that quit employment.
- Prohibits employers from requiring nondisclosure of a person's wages as a condition of employment, requiring them to sign a waiver of rights for disclosure of wage information, or from taking an adverse employment action for disclosing wages. Provides for safeguards for proprietary information, trade secret information, and other information. Provides for civil action by an employee against an employer for violations.
- Provides that a state agency, the Metropolitan Council, and other metropolitan agencies may not execute a contract in excess of $500,000 with a business having 40 or more full-time employees in Minnesota or in the state where the business has its primary place of business unless the business has an equal pay certificate of compliance or is exempt.
- Provides a $500,000 onetime appropriation from the general fund for a grant program to Women Venture and the Women's Business Center of Northeastern Minnesota to promote the creation and expansion of women-owned businesses in Minnesota.
- Provides $250,000 in onetime funding from the workforce development fund for apprenticeship program activities to educate, promote, assist and support women in high wage, high demand, nontraditional job apprenticeship programs.
- Establishes a grant program to increase the number of women in high wage, high demand nontraditional occupations and sets the permitted use of grant funds which includes recruitment, preparation, placement, and retention of women in apprenticeship, education, and training programs and permanent employment.
- Adds an individual with expertise in assisting women in obtaining employment in nontraditional occupations as an advisor to the governor's Workforce Development Council.

Status: Signed into law; Chapter 239

Veterans' Preference

The Legislature considered a bill to abolish the use of civil service boards by public employers for the purpose of veteran's preference termination hearings. The bill instead mandated the use of three-person panels, and required that governmental subdivisions pay the costs associated with the hearings, except the veterans' attorneys' fees. The bill was passed by a House Committee and sent to the floor, but the Senate companion did not receive a hearing.

Status: Did not pass; H.F. 2117

The Legislature considered, but ultimately did not approve, a bill that would have required employers to provide veterans with unpaid time off for Veterans Day.

Status: Did not pass; H.F. 2447

Workers' Compensation

In 2013, the Legislature passed major changes to the state's workers' compensation system. These changes were based on recommendations made by the Workers' Compensation Advisory Council (WCAC), and included increasing compensation rates for workers' compensation, and making employees eligible for workers compensation benefits if they are diagnosed with "post-traumatic stress disorder" (PTSD) with no contributing physical injury. Before that change, any sort of mental health claim could not move forward under workers' compensation coverage without an underlying physical injury or physical manifestation.

This session, local government groups approached the WCAC with a proposal to modify the 2013 changes related to the compensability of PTSD claims. Under the changes made last year, multiple PTSD claims arising from a single event would require an employer or their insurer to pay a separate retention for each claim. Local governments sought a change to specify that one or more compensable mental impairment claims arising out of a single event or occurrence constitutes a single loss occurrence.

This proposal was adopted by the WCAC as part of their 2014 legislative recommendations, and forwarded to their legislature. The Legislature approved the measure and it was signed into law, effective for employees with dates of injuries on or after October 1, 2013.

Status: Signed into law; Chapter 182

DATA PRACTICES

Breaches of Data Security

After more than a year of discussion on a bill that aims to address the recent incidents of public employees improperly accessing non-public data, the governor signed into law legislation that expands penalties for public employees that improperly access non-public data, and creates new obligations for local government entities when breaches of data security occur. The new law:

- Adds to the duties of responsible authorities (the person charged with managing data practices issues in each governmental entity) by:
  1) Specifying that the data security safeguards they establish must include procedures for ensuring that data that are not public are only accessible to persons whose work assignment reasonably requires access to the data, and is only being accessed by those persons for purposes described in the procedure.
  2) Requiring them to develop a policy incorporating these procedures, which may include a model policy governing access to the data if sharing of the data with other government entities is authorized by law. These duties are currently required under state rules, and have now been added to state statute.
  3) Requiring that a comprehensive security assessment of any personal information maintained by the government entity be conducted at least annually. This is a current requirement in statute; however the law specifies that the assessment must occur on a repeating basis ("at least annually")

- Expands a requirement that state agencies provide written notification of a breach in data security to affected individuals to now apply to all governmental entities. When a breach occurs, all government entities are now required to send written notification to any individual who is the subject of the data and whose private or confidential data was, or is reasonably believed to have been, acquired by an unauthorized person. The notification must inform the individual that a report will be prepared (see below) and how the individual may obtain access to the report, including giving the individual the ability to request delivery of the report by mail or e-mail.

This written notification can be:

1) Mailed to the individual;
2) Sent electronically (if the notice is consistent with the provisions regarding electronic records and signatures as set forth in United States Code, title 15, section 7001); or
3) "Substitute notice," If the government entity demonstrates that the cost of providing the written notice would exceed $250,000, or that the affected class of individuals to be notified exceeds 500,000, or the entity does not have sufficient contact information. Substitute notice consists of all of the following: e-mail notice to individuals the entity has e-mail addresses for; conspicuous posting of the notice on the website of the entity; and notification to major media outlets that reach the general public within the entity's jurisdiction.

In addition, if the entity discovers circumstances requiring notification under this section of more than 1,000 individuals at one time, the entity must also notify, without unreasonable delay, all consumer reporting agencies that compile and maintain files on consumers on a nationwide basis, as defined in United States Code, title 15, section 1681a, of the timing, distribution, and content of the notices.

- As noted above, requires all government entities to prepare a report when a breach of data security occurs. The report shall be completed upon completion of an investigation into the breach in and final disposition of any disciplinary action, including exhaustion of all rights of appeal under any applicable collective bargaining agreement. If the investigation concludes there was unauthorized access to or acquisition of data by an employee, contractor, or agent of the government entity, the report must at a minimum include:
  1) a description of the type of data that were accessed or acquired;
  2) the number of individuals whose data was improperly accessed or acquired;
  3) if there has been final disposition of disciplinary action, the name of each employee determined to be responsible for the unauthorized access or acquisition (unless the employee was performing duties under chapter 5B, "Data Protection for Victims of Violence"); and
  4) the final disposition of any disciplinary action taken against each employee in response.
- The bill also strengthens penalties for employees found to have inappropriately accessed non-public data. The law provides that conduct which constitutes a knowing unauthorized acquisition of not public data is a misdemeanor, and is just cause for suspension without pay or dismissal of the offending employee.
- Provides that the name of agencies submitting data to the Comprehensive Incident-Based Reporting System (CIBRS) are public, along with a general description of the types of data submitted by the agency to the CIBRS system.

The new law <u>does</u> <u>not</u> include several provisions that were discussed while the bill was moving through the legislative process, including:

- A requirement that government entities post a copy of their investigative report on their official website.
- A provision that would have allowed an individual data subject to request the name of any persons who have obtained access to private data on the individual, unless the data would identify an undercover law enforcement officer or are active investigative data.
- A mandate that all data systems maintained by government entities track user access.

Status: Signed into law; <u>Chapter 284</u>

Legislative Commission on Data Practices and Personal Data Privacy

The governor signed into law a bill that will establish the Legislative Commission on Data Practices and Personal Data Privacy to study issues relating to government data practices and individuals' personal data privacy rights, and to review legislation on these issues. The commission consists of five senators and five House members, with no more than three from the majority caucus in each chamber. The commission must convene their first meeting by June 15, 2014.

Status: Signed into law; Chapter 193

Financial Account Numbers

A new law classifies checking account numbers as "security information" for purposes of the data practices act. This means that an individual's checking account number is private when submitted to a government entity. The classification applies regardless of the individual's reason for submitting the account number to the government entity.

Status: Signed into law; Chapter 208

Data Held by Private Entities

The governor signed into law legislation that aims to clarify the state's data practices law in response to a recent Minnesota Supreme Court opinion.

In 2013, the Minnesota Supreme Court issued a ruling in *Helmberger v. Johnson Controls*. The case involved a dispute over a newspaper's access to a subcontract related to a school construction project. The contract between the school district and the general contractor failed to include the data practices terms required under current law, which would have specified that the contractor was subject to the Data Practices Act. Because those terms were not included, the court held that the contractor was not obligated to comply with the requirements of the Data Practices Act for work performed under the contract.

The new law will, effectively, pre-empt application of the court's ruling to future cases by providing that a private contractor performing a government function under a contract is subject to the Data Practices Act regardless of whether those specific terms are included in the contract. The new language in statute specifies that "all contracts entered into by a government entity must include a notice that the requirements of this subdivision apply to the contract. Failure to include the notice in the contract does not invalidate the application" of this statute.

Status: Signed into law; Chapter 293

Safe at Home Data Protection

During the 2013 Legislative Session, a bill was enacted to make broad changes to the Safe at Home program, a state program operated through the Secretary of State's Office to try to keep addresses and other location identifying information private for participants in the program. Those enrolled in the program are those who have a legitimate fear for their safety, and tend to be victims of domestic abuse. As part of the bill passed last year, property records were included among the government documents that could no longer include address or other location identifying information. This change created concern among County Recorders in their role as keepers of county property records, and it also raised the concern of the Minnesota Bar Association- Real Property Section, the Minnesota Land and Title Association, Examiners of Title and others.

To address the concerns raised by County Recorders, the interested stakeholders and the Secretary of State's Office worked for many weeks prior to and during the legislative session to try to reach a solution that was workable. The goal was to provide enough guidance in law on how to handle these property records without having 87 different ways of doing it, while also allowing flexibility for counties that were already devising a system to comply with the law. There was also an understanding that the records should not be redacted or hidden, but kept as part of the public record without jeopardizing the safety of the program participant.

The outcome from those meetings was a series of revisions to the Safe at Home program as it relates specifically to property records. Program participants who decide to purchase property after this legislation went into effect and who want to keep their location data private must submit a real property notice to the County Recorder, which the Secretary of State will provide and the details of what must be included are defined in the law. The data is to remain private, unless it is needed for social services the participant may receive, for health and safety services such as 911, or law enforcement to aid with an active investigation. Program participants may also authorize release of their data, for example, if they want to refinance their mortgage or transfer title. The information must remain private until the person is no longer in the program or the property is no longer owned by that person.

The legislation was signed into law by the governor and went into effect April 30, 2014.

(Summary provided by the Minnesota Association of County Officers)

Status: Signed into law; Chapter 173

PENSIONS

Omnibus Pensions Bill

The governor signed into law an Omnibus Pension Bill that makes several changes related to plans administered by the Public Employees Retirement Association (PERA).

Major provisions of interest to counties in the new law include:

- Increasing the employer and employee contribution rates for the PERA-General plan by 0.25% of pay on January 1, 2015. Employee contributions would increase from 6.25 percent of pay to 6.50 percent, while employer contributions would increase from 7.25 percent to 7.50 percent. The bill also changes state general law to ensure that future contribution rate increases would occur on January 1, rather than July 1, to give local governments the opportunity to budget for the changes.
- Replacing the $425 in any month minimum salary threshold for PERA membership with an annualized minimum salary threshold figure of $5,100 ($3,800 for employees of school districts). The bill also requires that if an employer determines that an employee does not qualify for PERA membership, they must provide the employee written notice of the exclusion on a form prescribed by PERA.
- Granting county sheriffs about one additional month to retire (February 1, 2015, rather than early January 2015) and take advantage of PERA-P&F early retirement provision before the phase-in of slightly less favorable early retirement treatment.
- Requiring PERA employers to separately report overtime pay and pay for unused compensatory time.
- Extending the PERA Post-Retirement Options (PRO) Program from June 30, 2014, to June 30, 2024; and requiring that PERA PRO employment be with the same governmental subdivision from which the employee retired, rather than with any governmental subdivision.
- Extending the Public Employees Police and Fire Retirement Plan disability benefit application deadline for certain Wadena County sheriff's deputies.
- Granting PERA-General coverage to the employees of the Stevens County Housing and Redevelopment Authority who were employed before May 1, 2014, and validates past PERA-General retirement coverage for and retirement fund contributions by or on behalf of current Stevens County HRA employees.

The new law does not include the following provisions, which were discussed at various points in the legislative session:

- Permitting a Hennepin County Commissioner to purchase service credit from PERA-General for Hennepin County Commissioner service with the payment of the full actuarial value amount of the purchase. This provision was approved by the House and Senate, but was not adopted in the conference committee report.
- Requiring that all local government employees that do not qualify for a defined benefit plan under PERA be enrolled in the PERA defined contribution plan, with comparable employee and employer contributions.
- Adding probation officers, 911 dispatchers, and Hennepin County security guards to the PERA Correctional Plan.

Status: Signed into law; Chapter 296

ECONOMIC DEVELOPMENT

Angel Investment Tax Credit

The Omnibus Tax Bill included a provision to expand the definition of qualified small business for the angel investment credit. Under current law businesses must meet a variety of requirements for investments to qualify for the credit. One of the requirements is that the primary business activity is:

- Using proprietary technology to add value to a product, process, or service in a qualified high-technology field
- Researching or developing a proprietary product, process, or service in a qualified high-technology field, or
- Researching, developing, or producing a new proprietary technology for use in the fields of agriculture, tourism, forestry, mining, manufacturing, or transportation.

This new law also adds a fourth criterion, allowing businesses to qualify if they have as their primary business activity researching and developing a proprietary product, process, or service in the fields of agriculture, tourism, forestry, mining, manufacturing, or H.F. 3167 May 15, 2014

In addition, the law requires the commissioner of DEED to develop a plan to promote usage of the angel credit in greater Minnesota and by women- and minority-owned businesses.

Status: Signed into law; Chapter 308

Workforce Housing Pilot Program

The Omnibus Tax Bill included funding for a workforce housing grant pilot program in northwest Minnesota.

The new law directs DEED to establish a workforce housing grant pilot program to make grants to cities to develop market rate apartments. To qualify for grants, cities must:

- Have populations of 1,500 or more.
- Be located in Pennington or Roseau County.
- Have an average rental housing vacancy rate in the city or any other city within 15 miles of 5 percent or less for at least the last two years.
- Have an employer or employers in the city or within 15 miles of the city with 20 more full-time equivalent employees that stated, in writing, that the lack of available rental housing has impeded their ability to hire employees.
- Have fewer than five market rate residential units per 1,000 residents constructed in each of the last ten years.
- Certify that grants will be used to construct workforce housing and will be matched by city, private, or nonprofit funds.

The grants are limited to the lesser of ten percent of the project cost or $400,000. The law provides $2 million from the general fund for the workforce housing grant program. This is a one-time appropriation that is available through fiscal year 2018.

Status: Signed into law; Chapter 308

ELECTIONS, CAMPAIGN FINANCE & PUBLIC DISCLOSURE

Electronic Poll Books

Under a new law, any county, municipality, or school district is authorized to use electronic rosters (commonly called electronic poll books) for any election, in any or all of the precincts within the jurisdiction. There is no requirement to use poll books in the new law, nor is any new funding provided to help local governments purchase electronic poll books.

The new law sets out minimum technology and security requirements for electronic poll books used in the state, and states that poll books can be used for election day registration, to process preregistered voters, or both. Each precinct using electronic rosters is required to have a paper backup system approved by the secretary of state present at the polling place to use in the event that the election judges are unable to use the electronic roster.

A county, municipality, or school district that intends to use electronic rosters in an upcoming election must notify the Office of the Secretary of State at least 90 days before the first election in which the county, municipality, or school district intends to use electronic rosters. The secretary of state must evaluate the use of electronic rosters in the 2014 state general election, and submit a report detailing the results of the evaluation to the Legislature by April 1, 2015.

This law is effective immediately.

Status: Signed into law; Chapter 288

Campaign Contribution Limits

The governor signed into law a bill that increases allowable campaign contributions for candidates running for local office. The bill also requires that local governments post the campaign finance reports of local candidates on their website for a period of four years.

Under the bill, contribution limits for candidates who seek nomination or election to a county, municipal, school district, or other political subdivision office would be increased to $600 in an election year (up from $300) and $250 in other years (up from $100). For candidates for an office whose territory has a population of over 100,000, the limits are $1,000 in an election year, up from $500, and $250 in other years, up from $100. This change is effective immediately.

The bill also requires that the financial reports of candidates who seek nomination or election to a county, municipal, school district, or other political subdivision office be posted on the local government's website, if the local government maintains a website. The reports must be posted by the local government's filing officer (the County Auditor in a county office) not later than 30 days after the report is received. The local government must make the reports available on the local government's website for four years from the date the report was posted. The filing officer must also provide the Campaign Finance and Public Disclosure Board with the link to the section of the website where reports are made available, and the Campaign Finance and Public Disclosure Board must publish those links on their website. This requirement is effective immediately, and applies to campaign finance reports filed on or after the day the bill was signed into law.

Status: Signed into law; Chapter 265

Economic Interest Statements

A new law requires public officials required to submit Statements of Economic Interest to the Campaign Finance and Public Disclosure Board to include information related to income earned from work as an independent contractor. Under the law, a public official (which includes county commissioners elected after Jan. 1, 2014) must report compensation earned as an independent contractor of more than $2,500 in the preceding 12 months on their economic interest statement. The official does not have to report the name of the private entity that paid them, but rather the business or professional activity category of the entity, under the general topic headings used by the federal Internal Revenue Service for purposes of reporting self-employment income on Schedule C.

The same law also clarifies that county commissioners must submit their economic interest statements within 60 days of assuming office, which is identical to current practice.

This new law does not contain a provision requiring disclosure of the financial interests of a public official's spouse. This provision was part of the bill as introduced, but was removed during the committee process.

Status: Signed into law; Chapter 309

Candidate Filing

The Legislature considered a bill that would make it more difficult for certain individuals to file for public office if they do not live in the district they are vying to represent. While the bill was approved by multiple committees, it did not receive a final vote in the House or Senate.

Under current law, when filing for public office in Minnesota, an individual is required to certify that they will have lived in Minnesota for at least 30 days before the General Election. This requirement has allowed out-of-state residents to file for public office and force a primary election without any obligation to move to the state (and they area they hope to represent) until after the primary has been decided.

In 2012, AMC adopted a policy position in favor of requiring a an individual seeking county office in Minnesota to have lived in the district they are trying to represent for at least 30 days before the primary election.

The bill considered this session would have made it more difficult to file for public office for any individual who:

- Has resided in the state for less than one year, as of the date of the election; and
- Would have resided in the district from which they seek election for fewer than six months, as of the date of the election, or less than one month prior to the start of the candidate filing period, whichever is earlier.

An individual that met both those criteria would have not been allowed to file for office simply by paying the statutory filing fee. Instead, they would have been required to submit a petition (signed by a certain number of voters, depending on the office), in order to get on the ballot. This petition system is currently in law to allow someone to get added to the ballot without paying the filing fee.

Status: Did not pass; H.F. 2018

County Attorney Elections

A proposal that would have required counties to hold a special election to fill a vacancy in the office of county attorney advanced through one committee this week, but was pulled before a hearing in a second committee and failed to meet committee deadline. The bill was opposed by the Minnesota County Attorneys Association, and AMC testified with concerns about the additional costs this bill would create for counties.

Status: Did not pass; H.F. 2943

Soil and Water Conservation District Supervisor Elections

The governor signed into law a bill that requiring soil and water conservation district board supervisors in one of the seven metropolitan-area counties to be elected by election districts. (Election districts are the same concept as election wards.) Each board in a metropolitan county must adopt a resolution establishing the election districts and providing for staggered terms. Boards outside of the seven metropolitan counties may decide to elect supervisors by district by following the process currently in law.

This section is effective January 1, 2015, and applies to elections conducted on or after that date.

Status: Signed into law; Chapter 264

Help America Vote Act

The governor signed into law legislation extending the deadline by which counties must use Help America Vote Act (HAVA) grants to purchase optical scan voting equipment. Three deadlines in 2014 are extended for two years until 2016 to give counties additional time to spend their grant money.

Status: Signed into law; Chapter 176

Voter Registration

The governor signed into law legislation permitting an individual to register to vote and/or request an absentee ballot online, using a Web site operated by the secretary of state. An e-mail address, plus the applicant's driver's license number, state identification card number, or the last four digits of the applicant's Social Security number are required to use the website. The bill also specifies security requirements for the website.

Status: Signed into law; Chapter 185

Campaign Finance

The governor signed into law legislation that adds post-general election holiday and seasonal cards to the definition of "noncampaign disbursement" for purposes of campaign finance reporting under chapter 10A, if mailed prior to the end of the election cycle. Thank you notes and advertisements in the news media, provided for in current law, would also be subject to this deadline for mailing or publishing. Items that qualify as a noncampaign disbursement may be paid for with campaign funds, and the payments must be included in reports filed with the Campaign Finance Board. However, these payments do not count against the applicable expenditure limit for the candidate's campaign.

Status: Signed into law; Chapter 185

St. Louis County Board Seats

The governor signed a bill permitting the Saint Louis County Board to designate a two-year term for county commissioner district 7, which is subject to election at the 2014 general election. For elections after 2014 for that district, the term is to be four years.

This adjustment would provide for staggered terms consistent with the requirements of law related to staggered terms following a redistricting. Of the current seven seats on the Saint Louis County Board, four seats are subject to election in 2014 (including district 7) and three seats are subject to election in 2016. Based on current district boundaries, this adjustment would effectively stagger terms for members of the county board representing Iron Range communities. The bill would be effective upon local approval, and applies until a new redistricting plan is filed as required by law.

Status: Signed into law; Chapter 210

Election Data

The governor signed into law legislation authorizing the sharing of certain driver's license and identification card data with the secretary of state if the secretary of state enters into an election and voter registration data sharing agreement with a group of states.

Eight states and the District of Columbia currently participate in a data sharing agreement called the "Electronic Registration Information Center" (ERIC). ERIC is a nonprofit organization, formed by the participating states with the assistance of the Pew Charitable Trusts, designed to improve the accuracy of participating states' voter registration data by, among other things, sharing driver's license data to identify voters who have moved, died, or who have duplicate registrations. The system also helps identify voters who are eligible but not registered to vote. Minnesota is not currently a member of the ERIC system; by authorizing data sharing, this bill would implicitly allow for Minnesota to become a participating member if the secretary of state so chooses.

Status: Signed into law; Chapter 238

Health & Human Services

For additional information on this section, please contact Rochelle Westlund, Policy Analyst, at 651-789-4325 or rwestlund@mncounties.org.

AMC PRIORITY ISSUES

Human Services Administrative Simplification

Human services administrative simplification was a top priority of AMC this legislative session. Minnesota's human services system is unnecessarily complicated, with many eligibility rules too complex to effectively automate. Simplification will reduce error rates, enhance program integrity, and reduce costs. As the state moves towards modernization of its human services technology systems, it is critical that programs be simplified and streamlined.

The language proposed by AMC this session provides uniformity in eligibility requirements across the Minnesota Family Investment Program (MFIP), General Assistance (GA), Minnesota Supplemental Assistance (MSA) and Group Residential Housing (GRH). The provisions that passed included all of the recommendations that were developed by the working group, which included AMC and MACSSA members, with only a five month delay in streamlining earned income to October 1, 2015. This will not only help in technology systems modernization, but will also make the process easier for the clients served, and the county case workers assisting clients.
Status: Signed into law; Chapter 312

OMNIBUS SUPPLEMENTAL FINANCE BILL

The health and human services provisions were rolled into the full supplemental budget for all state agencies. The Legislature passed that bill in the final hours of session a House vote of 75-55 and a Senate vote of 37-22. The health and human services provisions of interest to counties are listed below.
Status: Signed into law; Chapter 312

Transitions Plans for Contract Termination and Mental Health Facility Closure

In an effort to ensure continuity of care for clients in the event of the closure of a facility or contract termination with a community mental health center or community support services program language was included in the supplemental budget bill to achieve this goal.

- In the event of contract termination, counties must prepare a transition plan that provides for continuity of care. Clients must be given information on how to access medical records, and how to transfer to other providers. Additionally the county must provide at least 90 days' notice of termination to the contracted agency and the commissioner of human services.
- In the event of closure, the closing facility must notify affected clients of the closure at least 25 days prior to closure, and include information on how to access medical records. Plans for how the agency will provide for the transfer of clients and records for both open and closed cases in the event of agency closure will be required for initial or continuing licensure and must be reviewed annually. If a county is to accept open or closed records for the closing agency, the agency must obtain documentation from the county indicating the county or licensed agency has agreed to accept and maintain the records and provide follow-up services as necessary.

Detoxification Services

Included in the supplemental budget bill is a directive to the DHS Commissioner to develop a plan to include detoxification services as a covered medical assistance benefit to present to the Legislature at the end of 2014.

Home and Community Based Housing Moratorium Exception

Prior to any involuntary reduction of licensed beds, the commissioner shall consult with lead agencies and license holders to determine which foster care beds should close and be relocated based on the following:

- Where the physical location is not the primary residence of the license holder;
- Community residential settings are licensed for up to five beds, but have operated at less than for capacity for 12 or more months as of March 1, 2014.

If more than 35 beds are identified that meet these criteria, beds that have remained vacant for longer will be given higher priority for closure.

Increase for Home and Community Based Providers

A five percent rate increase was given to home and community based providers. This provision designates that four percent must go to wage increases for direct care employees and one percent is for quality improvement initiatives.

Nursing Home Rate Increase

Nursing home rate increases are to be phased in to reflect the minimum wage increase.

MFIP Educational Requirement Changes

These provisions allow MFIP participants to earn GED/diploma as an approved work activity, as long as participants are making satisfactory progress.

- Allows MFIP participants to be enrolled in four year postsecondary education programs, and requires providers to inform every MFIP participant with a GED/diploma about their right to enroll in post-secondary education as an approved work activity.
- Gives participants the flexibility to job search for 12 weeks rather than six.
- Removes time limit on English as a second language classes for workers who are learning English.
- Changes role of job counselors.

Repeal of the MFIP Family Cap

The supplemental budget includes a provision that will repeal the MFIP Family Cap effective July 1, 2014. While this bill moved through committee DHS expressed concern that they would be unable to make the changes necessary to computer systems to reflect the July 1 effective date. As such DHS and the counties will have to use a manual process until the systems can be updated to make this change.

Non-Emergency Medical Transit

An advisory committee on non-emergency medical transportation, which included representatives from AMC and MACSSA, worked diligently to arrive at compromise language. There is a two-year delay for implementation of a single administrative structure to allow time for the state to design a web-based system. DHS is directed to complete the task by July 1, 2016.

Until that happens:

- The state will continue to do level of need assessments and manage the assisted rides.
- Counties will continue to manage the unassisted rides.
- Counties have flexibility to choose whether or not to work with a broker.

Since this was not a budgeting year, the advisory committee's funding recommendations were not implemented. DHS will include the advisory committee's funding recommendations in its budget recommendations in 2015. The recommendations will address no-load miles, increased reimbursement rates for volunteer drivers, reclassification of ATS and STS modes, and restoration of the providers' rate.

Safe Harbor Funding

Additional $ 1 million in appropriations were granted for Safe Harbor programming for comprehensive services, including trauma-informed workers and culturally specific services for youth who are sexually exploited.

Homeless Youth Act Support Grants

An additional $1 million in grants was given to support the efforts outlined in the Homeless Youth Act.

Center For Victims of Torture

Earlier in the session the Center for Victims of Torture (CVT) presented a bill that would have had the state pay for the non-federal share of targeted case management services they provide to clients. Late in the session, the bill was amended to have the county responsible for the non-federal share of these services. AMC raised concerns about this unfunded mandate. While the bill was in conference committee an agreement was reached between AMC, CVT, and DHS. This provision allows CVT to enter into a host contract with a lead county or with DHS for targeted case management services; however, CVT must have concurrence from the county with fiscal responsibility prior to billing the county for services rendered.

Eagles Nest

One time funding was allocated to the Eagle's Healing Nest to upgrade facilities so that they meet the statutory requirements needed to provide Group Residential Housing in Stearns County. This was a priority of Representative Abler.

Healthy Housing Grants

An additional $600,000 went to Healthy Housing grants. The purpose of this grant is to implement primary prevention programs to reduce housing based health threats including:

- Providing education materials to the public;
- Promoting community awareness of resources;
- Providing training on identifying and addressing housing- based health threats;
- Providing technical assistance on implementation of mitigation measures;
- Identifying and mitigating hazards in houses that contribute to adverse health outcomes; and
- Establishing local or regional collaborative groups to ensure resources for addressing housing based threats are coordinated.

NorthStar Program Updates

This bill clarified implementation procedures, and made technical corrections to the statute including:

- Clarifications in adoption and transfer of permanent legal and physical custody;
- Background study clarification; and,
- Adoption studies.

OMNIBUS POLICY BILL

The health and human services policy bill contained a number of key provisions which will impact counties. The bill passed the House 93-35 and the Senate 52-13.

Status: Signed into law; Chapter 291

Smoke-Free Foster Homes

This provision makes a smoke free environment a factor in determining the best place for a suitable placement for a child. It does not require a smoke free home. It rather allows it to be considered in determining the best interest of

a child, but allows counties flexibility in ensuring a child's placement where they will thrive physically, mentally, and emotionally. The provision specifically:

- Provides a list of settings in which a foster child must not be exposed to second hand smoke.
- Requires that the home study must include a plan to maintain a smoke-free environment.
- Instructs the child-placing agency to ask foster parents who do not provide a smoke-free environment to comply with a plan that includes training on the health risks of exposure to second hand smoke. Requires the agency to reassess the placement decision when a foster parent is unable to provide a smoke-free environment.
- Provides that placement of a child with a relative must not be affected by the requirements of this subdivision unless the relative is unable to provide for the immediate health needs of the specific child.
- Provides that this subdivision does not apply to traditional or spiritual Native American or religious ceremonies involving tobacco use.

Retention of Information on Child Maltreatment Reports

Counties must maintain sufficient information to identify repeat reports alleging child maltreatment of the same child for 365 days that were not accepted for assessment or investigation. Requirements on what sufficient information will include is to be determined by the commissioner, and will be added into the statewide database.

TANF Expenditure Task Force

The Minnesota TANF Expenditures Task Force was established to analyze past temporary assistance for needy families (TANF) expenditures and make recommendations as to which, if any, programs currently receiving TANF funding should be funded by the general fund so that a greater portion of TANF funds can go directly to Minnesota families receiving assistance. AMC will have representation on this task force. The task force must submit a final report by February 1, 2015 analyzing past TANF expenditures and making recommendations as to which programs, if any, currently receiving TANF funding should be funded by the general fund.

Screening Requirements For Mental Health Residential Treatment

This provision is specifically designed for juveniles. The provision requires screening to occur within 10 days of a request when a child is enrolled in a prepaid health program and the screening is for the purpose of placement in a mental health treatment facility.

Common Entry Point Designation

This provision modifies the Vulnerable Adult Act. Common entry point designation requires each county board to designate a common entry point for reports of suspected maltreatment until the commissioner establishes a common entry point.

E-Cigarettes

Despite efforts to include a provision that would include vapor from e-cigarettes in the Clean Indoor Air Act, the provision did not have enough support in the House to pass. As a result, the provision that made it through the conference committee focused on the regulation of e-cigarette sales. As adopted:

- E-Cigarettes are to be regulated as cigarettes:
    - They may not be sold to persons under the age of 18
    - They can only be displayed behind the counter
    - Permits will be required for stores that allow for sampling
- E-Cigarettes may not be used:
    - In schools, or on school property
    - In public buildings.

Streamlining the Local Public Health Statute

This provision is the product of an 18 month working group whose purpose was to update the Public Health Act originally passed in the 1970's. The bill removes duplicative language and simplifies and clarifies the roles and responsibilities of community health boards to ensure meaningful services are offered to communities.

MFIP Documentation and Eligibility Requirement Changes

Several provisions are included in regard to Children and Family programs:

- Streamlining documentation by permitting the use of signed personal statements when a county determines a person is no longer qualified for group residential housing.
- Expanding the type of income and assets excluded from consideration for MFIP eligibility including payments for family foster care for children, and changing how the value of vehicles are calculated from loan value to trade in value.
- Provisions expand the circumstances under which emergency assistance may be provided for child care support programs to include:
    - Kinship assistance payments
    - Minnesota permanency 205.3 demonstration title IV-E waiver payments.
- This bill also extends the length of child care assistance offered in emergency circumstances.

Finally, when dealing with client recertification of eligibility, the bill adds that the county agency must end benefits when the participant fails to submit the recertification form and verifications and complete the interview process before the end of the certification period. If the participant submits the recertification form by the last day of the certification period, benefits may be reinstated back to the date of closing when the recertification process is completed during the first month after benefits ended.

Automatic Defibrillator Use

Under this section automatic external defibrillators (AED), is focused on ensuring that AEDs are operational and accessible. This provision requires:

- Registration of AEDs that are available for use by the public;
- Establishment of a maintenance schedule for these devices; and
- Development of an emergency response plan appropriate to the location of each public AED device.

Expansion of Adult Foster Care Requirements

This provision expands the training requirements of adult foster homes who serve people with mental illness. Additional training requirements to be approved by the commissioner are in the areas of suicide intervention; suicide warning signs; and appropriate response to this behavior. Foster care homes will be required to have a crisis plan for each resident.

OTHER HHS BILLS CONSIDERED THIS SESSION

Steve's Law

Steve's Law was proposed in response to the increasing number of deaths caused by heroin overdose. This law allows police officers and first responders to carry Narcan, a drug that can be used to revive people who have overdosed.

Status: Signed into Law; Chapter 232

Newborn Screening

The House passed newborn screening legislation 69-58 which allows the state to keep newborn blood samples indefinitely, unless a parent requests the samples be destroyed.

Status: Signed into Law; Chapter 203

Medical Cannabis

One of the high profile matters addressed by the Legislature this year, medical cannabis, was an issue of great debate that was resolved as session ended. Under the agreement, the statute lays out qualifying medical conditions for which cannabis may be prescribed. The state will authorize two medical cannabis manufacturers to set up operations in Minnesota and distribute the product in pill or liquid form to qualified patients at up to eight distribution centers by July 1, 2015. The agreement does not include smoking as a legal means by which to prescribe the product to patients.

Status: Pending, not yet signed by the governor: Chapter 311

Repeal of Mandatory Drug Testing For Welfare Recipients

Bills were introduced in both the House and the Senate which would have removed the requirement that counties perform random drug testing on recipients of general assistance who had been previously convicted of a drug related offense. The bill proposed would have allowed counties the flexibility to conduct this type of screening, but not have required it. Currently, counties are incurring costs associated with identifying, notifying and administering tests for the relatively small amount of recipients subject to the law. This bill did not proceed from committee this year.

Status: Did not pass; H.F.1987/ S.F.1738

Public Safety

For additional information on this section, please contact Ryan Erdmann, Policy Analyst, at 651-789-4345 or erdmann@maccac.org.

Probation Funding Reform

The method of funding probation services is broken, with multiple pots of money, including a separate funding source for each of the county based delivery systems (CCA and CPO). This system is confusing, not transparent, and has contributed to years of underfunding for probation. This proposal would have combined those funding sources in to a single stream directed to county boards, which would then choose to use that money to deliver probation services using any of the three current delivery models. Current funds allocated to each county would be established as base funding with the single formula used to distribute new finds should they be appropriated by the Legislature. This was one of AMC's priority items for the session. The bill was introduced in both bodies and heard in the House, but due to concerns expressed by the Department of Corrections about tying together state and county funding, the bill did not progress this session.

Status: Did not pass; H.F. 2770/S.F. 2348

Public Safety and Judiciary Finance

The public safety and judiciary portions of the budget were relatively minor within the scope of the supplemental budget. In fact the judiciary budget saw no changes whatsoever. Within the Department of Public Safety (DPS) budget, there was $11.9 million allocated for ARMER maintenance, $3.5 million for railroad and pipeline safety, $500,000 for Youth Intervention Programs, $500,000 for shelter for East African victims of human trafficking, and $300,000 for sexual violence prevention programs. All of the DPS funds were one time funds that do not carry over to the next biennium. The Department of Corrections received their full $30 million request. Most of that was for additional staff costs, but a little more than $11 million is allocated to contracts with county jails to house inmates in excess of their capacity. The staff portion in an ongoing appropriation and the dollars for county contracts is one time.

Status: Signed by the governor; Chapter 312

Sex Offender Supervision

Late last fall, the DHS Task Force on Sex Offender Civil Commitment issued its final report. This task force was ordered by a federal judge as part of a class action lawsuit filed by offenders that have been civilly committed to the Minnesota Sex Offender Program (MSOP). The task force included county representatives (one commissioner and one county attorney) in addition to legislators and others with interest in the process. The task force produced a report with recommendations for a new process of civil commitment and new placement options for those that have been committed. A bill authored by Sen. Kathy Sheran and Rep. Tina Liebling would have implemented those recommendations. Due to the political downsides to sex offender legislation in an election year, the bill was not acted upon.

Status: Did not pass; S.F. 2548/H.F. 3052

Disaster Aid Contingency Account

Language was added to the AMC platform this year to support a proposal from the Association of Minnesota Emergency Managers (an AMC affiliate) to create a disaster aid contingency account. This account would allow for appropriation of the required state match without the need of a special session when a Presidential Disaster Declaration is made. The fund can also be used to provide aid to counties with significant disaster related damage, but not enough to meet the federal threshold. This proposal was introduced as a standalone bill and was ultimately included in the omnibus supplemental budget bill. The initial appropriation for the fund is $3.5 million and it is administered by the Department of Public Safety.

Status: Signed by the governor; Chapter 312

Elimination of Contiguous Requirement for CCA Joint Powers

This bill was brought forward by the Minnesota Association of Community Corrections Act Counties (MACCAC), an AMC affiliate. The bill eliminates the requirement that counties that form a joint powers entity for the purposes of participating in the Community Corrections Act be contiguous to each other. All other eligibility requirements for participating in CCA remain the same.

Status: Signed by the governor; Chapter 209

Traffic Ticket Diversion Programs

In early 2014, a court ruled that traffic ticket diversion programs in lieu of the uniform traffic ticket were not authorized under current statue. Many counties and cities were operating these programs and legislation was introduced that would specifically authorize local law enforcement agencies to implement these programs for low level traffic offenses. Not only did the bill progress on its own, but the proposal found its way in to the omnibus supplemental budget bill and the transportation technical bill. In both cases it was ultimately removed primarily over concerns about costs to the state from reduced traffic ticket surcharge collections.

Status: Did Not Pass; S.F. 2275/ H.F. 3058

Juvenile Stays of Adjudication

For many years county corrections organizations have advocated for longer periods of time that a juvenile offender can be given a stay of adjudication, or continuance. These are often granted to help juveniles avoid the myriad of collateral consequences of having a delinquency finding on their record for relatively minor offenses. Current law allowed for two 90-day stay periods. This bill lengthens that to two 180-day periods and also provides the court with additional options for what types of supervision and programming can be ordered during that time. The extra time will give probation officers more time to fully evaluate the juvenile's needs, progress in meeting the conditions, and make a better recommendation to the court about whether adjudication is warranted.

Status: Signed by the governor; Chapter 312

License Plate Reader Data

How law enforcement agencies handle the data logged by their automatic license plate readers was a carryover issue from the 2013 session. Bills to restrict how this data could be used and how long it could be kept passed out of both bodies. However, the bills were not very similar and despite considerable time devoted to finding a compromise, the conference committee was unable to work out a deal.

Status: Did not pass; S.F. 385/H.F. 474

Cell Phone Tracking

Legislation to limit law enforcement's authority to track cell phone users, collect and maintain that data was debated in light of the growth of tracking technologies such as Kingfish and Stingray. The bill would allow for the court to issue a tracking warrant, which does not require as high a standard as a traditional search warrant, provided that it is requested for a specific number. Law enforcement can only use tracking devices without the order from the court in certain emergency situations. Any data collected that is not material to the order or the emergency must be destroyed immediately.

Status: Signed by the governor; Chapter 278

Expungement

Comprehensive reform of the process by which individuals with a criminal record can have that record expunged, or sealed, has been an elusive goal for many years. A recent court case found that when a judge grants an expungement, it only applies to judicial branch records and not those maintained by executive branch agencies, meaning expunged records could be public in some cases. This bill would clarify that all records must be sealed when such an order is made. It does allow for the exchange of records among agencies under certain circumstances and also provides for records to remain private even when they are part of a DHS disqualification decision. The bill also extends expungement eligibility to a limited list of felony offenses in addition to the lower level offenses that are currently eligible. This bill ultimately was agreed to by representatives of the defense bar, prosecution, legal aid and multiple state agencies.

Status: Signed by the governor; Chapter 246

GPS Monitoring Pilot for Domestic Abuse

For several years, Ramsey County has operated a pilot project to evaluate the use of GPS technology to protect victims of domestic violence. This project is broader than just monitoring the offender's whereabouts but also has a device attached to the victim so an alert is made if the offender comes in proximity to the victim. This bill extends that pilot project through 2017 and also allows other judicial districts to implement similar pilot projects if they choose to do so. If a judicial district wishes to start a pilot, they must first convene a work group to set local standards for how the project will work. This work group must include all of the relevant county criminal justice partners.

Status: Signed by the governor; Chapter 263

Compensation for Exoneration

Under this proposal, those who have been convicted of a felony, sent to prison and subsequently exonerated of that crime may petition the court to determine eligibility for a new compensation program. Those individuals that are eligible may receive reimbursement for costs related to the conviction as well as damages based on costs of reintegration, unpaid child support due to the incarceration, etc. A compensation panel appointed by the Chief Justice is responsible for determining the damages to be awarded to those that a court has determined are eligible.

Status: Signed by the governor; Chapter 269

Synthetic Drugs

In an effort to combat the ever changing world of synthetic drug manufacture and sale, the Board of Pharmacy was given broader authority to identify and classify substances as synthetic drugs for the purposes of applying existing statute that prohibits the production and distribution of these substances.

Status: Signed by the governor; Chapter 285

Enhanced Penalty for Murder or Assault of Prosecutor or Judge

Enhanced penalties, much like those already in statute for police officers, were enacted in cases where an offender is found guilty of assaulting or murdering a prosecutor or judge.

Status: Signed by the governor; Chapter 302

Standards for Incarcerated Pregnant Women

This proposal was introduced to improve the birth outcomes of pregnant women in jails and prisons and help ensure the health of babies born in those settings. The bill creates specific standards related to women who are pregnant or have recently given birth. Among the bill's provisions are limits on use of certain restraints on pregnant women, required pregnancy and STD testing, educational materials related to child birth, and mental health assessment and treatment, if needed, while pregnant and immediately post-partum.

Status: Signed by the governor; Chapter 234

Ignition Interlock

This bill clarified that the existing ignition interlock program applies to those that lost their license to due alcohol related criminal vehicular operation and criminal vehicular homicide convictions in addition to driving while impaired offenses.

Status: Signed by the governor; Chapter 298

Part-time Peace Officer Licensure

The Peace Officer Standards Training Board will no longer offer part-time peace officer licenses. Law enforcement agencies will still be allowed to hire officers on a part-time basis, but those officers will have to be fully licensed peace officers with all of the same training and education requirements of full time officers.

Status: Signed by the governor; Chapter 244

Transportation & Infrastructure

For additional information on this section, please contact Abbey Bryduck, Policy Analyst, at 651-789-4339 or abryduck@mncounties.org

TRANSPORTATION FINANCE

MoveMN Transportation Finance Bill

The MoveMN campaign was a coalition of over 150 advocacy groups dedicated to passing a comprehensive, dedicated, balanced, and sustainable transportation funding bill. AMC participated in the campaign steering committee, representing local government interests. The campaign worked with the House and Senate Transportation Chairs to introduce a finance package that passed committees in both bodies of the Legislature on party line votes, but did not advance past the Transportation Committees. House Leadership made it clear that without business and GOP support, the bill would not progress. The bill included:

- A new 5% sales tax on wholesale fuel, known as the gross receipts tax; projected to bring in more than $360M in new revenue dedicated to roads. This would be in addition to the 28.5 cent per gallon fuel tax. The Department of Revenue would estimate an average fuel cost for the previous 12 months, convert it to a per-gallon equivalent, and set that rate for the following year. The current per gallon tax is also collected at the wholesale level, and this does not change the way the tax is collected.
- Immediate investment in the Corridors of Commerce program. With the new sales tax, MnDOT could bond for $250M annually for the next four years. This money would go directly toward trunk highway safety and congestion projects.
- Closing the leased vehicle sales tax loophole. $32M of the leased vehicle sales tax revenue is deposited into the general fund. This revenue would be captured for transportation purposes and split between Greater Minnesota Transit and some or all of the metropolitan counties at a percentage.
- Allocation of $16M of existing flexible federal funding for Greater Minnesota bicycle and pedestrian infrastructure. This would address Safe Routes to School and Main Street enhancements.
- A ¾ cent increase in the metro sales tax for transit and bike-pedestrian infrastructure, imposed by the Legislature in all of the seven metro area counties. The current ¼ cent sales tax for transit is collected in all metro counties except Scott and Carver. This provision would bring those counties into the taxing district.
- The Minnesota County Engineers Association (MCEA) and County State Aid Highway (CSAH) formula recommendation. This states that all transportation revenue directed to the CSAH fund, regardless of source (excluding the leased motor vehicle sales tax), be split with 68% distributed according to the apportionment sum formula and 32% distributed using the excess sum formula. This recommendation would only be enacted in conjunction with significant new transportation revenue.

Amendments were adopted in committee that would:

- Change the leased motor vehicle revenue distribution to various splits; in the House, 40% would go to the metro counties, including Hennepin and Ramsey, although the distribution applied to 50% of their population, and 60% to Greater Minnesota Transit. An amendment in the Senate set it at a 50/50% split, with Hennepin and Ramsey included at 50% of their population.
- Reduce the gas tax by 8.5 cents, to 20 cents per gallon, to offset the gross receipt tax.
- Return 1/6th of the metro sales tax for transit to counties to be used for road or transit needs, except for Hennepin County who must use it for transit.
- Require efficiency measures for MnDOT.

Status: Did not pass; H.F. 2395/S.F. 2107

Supplemental Budget Bill

Due to a $1.2 billion budget surplus, the supplemental budget bill was a significant piece of the legislative session. The House Transportation Finance supplemental budget bill included $11.5M to counties statewide through the CSAH formula for winter-related road repair, although counties and cities worked with MnDOT to identify a winter road repair cost of $20-$40M statewide. The bill also included $10M for the Corridors of Commerce program and $4M for the Transportation Economic Development (TED) Program.

The Senate version included $22M for the suburban ring counties, to backfill a cap that was imposed on their portion of the leased motor vehicle sales tax (MLVST) during FYs 2014/15. The bill also included $10M for trunk highway winter road repair, $10M for the TED program, and $11.5M for counties, of which $3.6M must be used for winter road repair.

At the time of passage, most of the county related appropriations were removed from the budget bill and addressed through the Capital Investment Cash/Bonding package. The remaining transportation provisions included:

$250,000 for Safe Routes to School, $32,000 for free transit rides in Greater Minnesota on Election Day, and $31.5M of existing revenue to the Corridors of Commerce program for trunk highways.

MVLST Revenue Adjustments

The motor vehicle leased sales tax (MVLST) allocation was under scrutiny this session when the MoveMN transportation funding proposal included a provision that would capture all of the revenue from this source to transportation purposes. Currently, the first $32M collected goes to the General Fund and the remaining revenue is split 50/50 between the suburban ring counties and Greater Minnesota Transit. There were competing amendments to the MoveMN bill regarding where this split should ultimately land. In addition, Hennepin and Ramsey counties were interested in entering this revenue stream, which has almost doubled in the last year. To further complicate things, in 2014/15 there was a $9M cap placed on the ring county portion. Any revenue above that amount would go to Greater Minnesota Transit.

Ultimately, the Legislature did not pass the capture of the $32M from the general fund nor did it include Hennepin and Ramsey counties into the revenue stream. It did remove the $9M cap for the suburban ring counties for 2015, which increased their portion of the revenue by $12.4M. It then increased the base for Greater Minnesota Transit for the 2015 fiscal year by $6.5M to make up for the metro county cap removal in 2015.

Status: Signed into law; Chapter 312

Winter Road Repair

In an earlier version of the supplemental budget bill, there was $11.4M included for county winter road repair (potholes), which was earmarked through the Local Road Improvement Program fund allocation. This provision was dropped in favor of other priorities.

Status: Did not pass; H.F. 3172

Motor Vehicle Sales Tax (MVST) Exemption: *see General Government Section*

CAPITAL INVESTMENT

This session, due to the $1.2 billion budget surplus, the capital investment bill included both "cash" from the General Fund and a General Obligation bonds. $846M in bonds was combined with roughly $200M in General Fund cash to make up a capital investment package of just over $1 billion. The bills included funding for:

Local Bridges

The capital investment package included a total of $33M for the local bridge program, $11.75M of which is earmarked for the Franklin Avenue Bridge in Hennepin County.

Local Roads

The Local Road Improvement Program (LRIP) was granted roughly $54M; a combination of bonding and cash. This appropriation was heavily earmarked, and it is still unclear how much will be available for a statewide solicitation. AMC staff is working to get more clarification on legislative intent from the Capital Investment Committee Chairs and MnDOT.

- The earmarked projects were: the 77th Street underpass projects in Richfield, Hennepin County; Highway 10 and CSAH 83 in Anoka County; the Twin Cities Army Ammunition Plan Redevelopment Project (TCAAP) in Ramsey County; and $250,000 for Pine Lake Township in Otter Tail County for improvements to Nitche Lake Road.
- LRIP Advisory Committee – Policy language was included in the capital investment bill that would require a statewide solicitation and convening of an LRIP Advisory Committee whenever there is a balance in the LRIP fund. The committee is made up of one county commissioner, one county engineer, one city engineer, one city council member representing a city with a population over 5,000, and one representing a city with a population under 5,000.

Board of Water and Soil Wetland Replacement Program for Roads

AMC led efforts to secure $5.4M in bonding for the Board of Water and Soil's Wetland Replacement Program for Roads. This program carries out the wetland mitigation required by statue for road projects, rather than requiring it of county highway departments. The final capital investment package included $2M for the Wetland Replacement Program.

Additional Transportation Provisions

- The Safe Routes to School program was granted $1M from the General Fund.
- Greater Minnesota Transit was provided with $1.5M in bonding. This is in addition to the $6.5M from the General Fund appropriated in the supplemental budget bill.
- Highway rail grade crossings were given $2M in bonding.
- $2M to Port Development Assistance

Non-Transportation Provisions

- $119M for the University of Minnesota
- $120M for the MnSCU system
- $100M for housing (the largest investment in state history)
- $12M for zoos
- $78M to the DNR for various projects
- $127M for the State Capitol restoration.

Status: Signed into law; Chapter 295 (General Fund Bill), Chapter 294 (Bonding Bill)

TRANSPORTATION POLICY

E-bid clarification

In 2003, a section of law was passed related to electronic advertising of bids for local governments. At that time, the term "local political corporation" was used to describe cities and counties. In 2004, that term was changed throughout statute to "political subdivision." However, because the section of law was passed just the year before, and still in session law, the references were not codified in statute. The change will clarify the intent of the language so counties can confidently continue to advertise transportation bids online.

Status: Signed into law; Chapter 287

Speed Limits

55-60mph Default Speed Limit

A floor amendment was offered that would change the statewide default speed limit from 55 to 60 mph. This is costly and complicated because of the need for extensive signage changes. AMC staff worked with MnDOT and the amendment author to change the language to a speed study on two-lane, two-way state roads only, to be completed on January 15, 2019.

Status: Passed into law; Chapter 312

Work Zone Safety

A proposal to create stricter penalties for traffic violations in road construction work zones passed the Legislature this session. The proposal set a $300 fine amount for some traffic violations in work zones, allocating fine revenue to a new work zone safety account, and set a default 45 mph speed limit in some highway work zones when workers are present. AMC staff, along with the Minnesota County Engineers Association legislative committee, worked on compromise language for a portion of the proposal which helps to more specifically define what a "work zone" is so county road authorities know when there is a requirement for signing, and also gives road authorities the ability to post a different speed limit than the default.

Status: Passed into law; Chapter 312

Truck Weights

Agriculture and Timber Hauler Weight Exemption Expansion

A bill was heard in the House Transportation Finance Committee that would extend the Agriculture and Timber Hauler exemption permit to all freights. This allows for an annual permit where 90,000 lbs. can be hauled on a six axle vehicle and up to 97,000 lbs. on a 7 axle vehicle. AMC supported this bill in the past, but this year changed our platform to suspend positions on truck weights until completion of the Federal Highway Administration's Truck Weight Study. The bill was held over for further consideration.

Status: Did not pass; H.F. 1480

Port-a-Potty Haulers

An amendment was added to the House version of the MnDOT Housekeeping bill that would provide a spring thaw weight exemption for porta-potty waste haulers. Their request was to carry 26,000 lbs. per axle (13 ton), larger than any other current exemption from the seven ton limit. AMC was successful in preventing this proposal from moving forward.

Status: Did not pass; H.F. 2214

Biodiesel Mandate

Language passed in the agriculture "unsession" bill that postpones the minimum content requirement of 20% biodiesel in diesel fuel from May 1, 2015, until May 1, 2018. There was also an expansion of the cold weather relief date from the mandate, which now includes October. The minimum content months are now limited to April through September.

Status: Passed, signed into law; Chapter 181

Township Road and Bridges

Town Road Account Distribution Formula

The money apportioned to a county from a Town Road Account is distributed according to a formula determined by a county board. The formula can no longer consider a town's levy for road and bridge purposes as criterion. The board may consider population, town road mileage, and other factors the county board deems advisable in interests of achieving equity.

Status: Passed, signed into law; Chapter 287

Township Bridge Duty/Authority

Language passed that would change and clarify a county's responsibility in relation to town bridges when the township fails to act. It is no longer the county's duty to mitigate, but they do have authority to intervene when a bridge needs posting, closing or repairing within their jurisdictional boundaries. The county is authorized to perform a load rating analysis with a notification requirement, provide required posting if necessary, and close a bridge if it constitutes a critical risk to public safety. The county is not liable for a town's failure to act, and can bill towns for all related expenses.

Included in the language was a change to requirements of county inventory and inspection reports related to bridges. The report may now contain recommendations for improving safety, performing a load rating analysis, or identifying any deficiencies that require action.

Status: Passed, signed into law; Chapter 287

BROADBAND

Border to Border Broadband Development Grant Program

Following the establishment of the Office of Broadband Development within the Department of Employment and Economic Development (DEED) in 2013, the Legislature established a grant program that would encourage access to high-quality broadband throughout the state called the Border to Border Broadband Development Grant Program. This program is available to partnerships, businesses, political subdivisions, Indian tribes, non-profits, co-ops, or LLCs pursuing acquisition and installation of middle-mile and last-mile infrastructure that supports broadband service of at least 100 mbps upload/download. It gives weight to projects in unserved or underserved areas. The grant program was funded with $20M to award grants and loans, or to supplement revenues raised by bonds sold by local units of government.

Status: Signed into law; Chapter 312

Broadband Mapping

A request of $450,000 was made to fund broadband service mapping. The goal was to collect deployment data from Minnesota providers, verify accuracy, and create state and county wide maps available to the public showing availability of broadband internet at various upload and download speeds, analyze the deployment data to help inform future investments in broadband infrastructure, and conduct business and residential surveys that measure broadband adoption and use in the state. The stand-alone appropriation survived through several versions of the appropriation bill, but was eventually incorporated into the $20 million appropriation for the Border to Border Broadband Development Grant Program, authorizing up to 3% of the fund for mapping purposes.

Status: Signed into law; Chapter 312

Broadband Bonding Authority

AMC worked with other local government groups on a bill amendment that would clarify bonding authority for local governments for broadband infrastructure. Unfortunately, an agreement could not be met and the amendment was pulled.

Status: Did not pass.

Updated May 28, 2014

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