

SENATE
STATE OF MINNESOTA
EIGHTY-SEVENTH LEGISLATURE **S.F. No. 2304**

(SENATE AUTHORS: BONOFF, Parry, Daley, Gazelka and Reinert)

DATE	D-PG	OFFICIAL STATUS
03/08/2012	4238	Introduction and first reading Referred to State Government Innovation and Veterans
03/20/2012	4648a	Comm report: To pass as amended and re-refer to Health and Human Services
03/23/2012	5054a	Comm report: To pass as amended and re-refer to Judiciary and Public Safety
03/29/2012	5296a	Comm report: To pass as amended and re-refer to Finance Joint rule 2.03, referred to Rules and Administration
04/02/2012	5549	Rules suspended Joint rule 2.03
04/03/2012	5625a	Comm report: To pass as amended and re-refer to Rules and Administration
04/16/2012	5856a	Comm report: To pass as amended
	5857	Second reading
	5872	General Orders: Stricken and re-referred to Finance
04/18/2012		Comm report: To pass as amended Second reading

A bill for an act

1.1 relating to state government; implementing changes to the sunset review;
1.2 changing certain agency requirements; requiring posting of convictions of
1.3 felonies or gross misdemeanors and malpractice settlements or judgments for a
1.4 regulated practitioner; requiring certain information on regulated practitioners;
1.5 requiring a study; prohibiting transfer of certain funds; requiring reports;
1.6 appropriating money; requiring a review of the Board of Medical Practice
1.7 and the Minnesota Medical Practice Act; amending Minnesota Statutes 2010,
1.8 sections 3.922, by adding a subdivision; 3.9223, subdivision 7; 3.9225,
1.9 subdivision 7; 3.9226, subdivision 7; 147.01, subdivision 4; 147.111, by adding
1.10 a subdivision; 341.22; Minnesota Statutes 2011 Supplement, sections 3D.06;
1.11 3D.21, subdivisions 1, 2; proposing coding for new law in Minnesota Statutes,
1.12 chapters 3D; 16B; 214; repealing Minnesota Statutes 2010, sections 138A.01;
1.13 138A.02; 138A.03; 138A.04; 138A.05; 138A.06.
1.14

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

ARTICLE 1

SUNSET REVIEW

1.18 Section 1. Minnesota Statutes 2011 Supplement, section 3D.21, subdivision 1, is
1.19 amended to read:

1.20 Subdivision 1. **Group 1.** The following agencies are sunset and, except as provided
1.21 in section 3D.14, expire on June 30, ~~2012~~ 2024: Capitol Area Architectural and Planning
1.22 Board, Amateur Sports Commission, ~~Combative Sports Commission~~, all health-related
1.23 licensing boards listed in section 214.01, Council on Affairs of Chicano/Latino People,
1.24 ~~Council on Black Minnesotans~~, Council on Asian-Pacific Minnesotans, Indian Affairs
1.25 Council, Council on Disabilities, and all advisory groups associated with these agencies.

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

2.1 Sec. 2. Minnesota Statutes 2011 Supplement, section 3D.21, subdivision 2, is amended
2.2 to read:

2.3 Subd. 2. **Group 2.** The following agencies are sunset and, except as provided in
2.4 section 3D.14, expire on June 30, 2014: Department of Health, Department of Human
2.5 Services, Department of Human Rights, Department of Education, Board of Teaching,
2.6 Minnesota Office of Higher Education, Council on Black Minnesotans, Emergency
2.7 Medical Services Regulatory Board, the Combative Sports Commission, and all advisory
2.8 groups associated with these agencies.

2.9 Sec. 3. **COUNCIL ON BLACK MINNESOTANS INTERIM REVIEW.**

2.10 (a) The Council on Black Minnesotans is continued for two years and added to the
2.11 2014 Sunset Advisory Commission review schedule. In the council's report to the Sunset
2.12 Advisory Commission, the council must submit an interim report and respond to issues
2.13 raised in previous audits by the Office of the Legislative Auditor.

2.14 (b) The Office of the Legislative Auditor should conduct a financial audit of the
2.15 Council of Black Minnesotans by December 1, 2013, prior to sunset review in 2014.

2.16 Sec. 4. **COMBATIVE SPORTS COMMISSION INTERIM REVIEW.**

2.17 (a) The Combative Sports Commission is continued for two years and added to the
2.18 2014 Sunset Advisory Commission review schedule. In the commission's report to the
2.19 Sunset Advisory Commission, the commission must submit an interim report and respond
2.20 to issues raised in previous audits by the Office of the Legislative Auditor.

2.21 (b) The Office of the Legislative Auditor should conduct a financial audit of the
2.22 Combative Sports Commission by December 1, 2013, prior to sunset review in 2014.

2.23 ARTICLE 2

2.24 ADMINISTRATIVE PROCEDURES AND FEES

2.25 Section 1. Minnesota Statutes 2010, section 3.922, is amended by adding a subdivision
2.26 to read:

2.27 Subd. 11. **Report.** The council shall prepare and submit a report to the governor and
2.28 legislature by November 15 of each year. The report shall summarize the activities of the
2.29 council since its last report, list receipts and expenditures, identify the major problems and
2.30 issues confronting American Indian people, make recommendations to address issues,
2.31 and list the specific objectives that the council seeks to attain during the biennium. The
2.32 council shall report on outcome measures.

S.F. No. 2304, 5th Engrossment - 87th Legislative Session (2011-2012) [S2304-5]

3.1 Sec. 2. Minnesota Statutes 2010, section 3.9223, subdivision 7, is amended to read:

3.2 Subd. 7. **Report.** The council shall prepare and ~~distribute~~ submit a report to the
3.3 governor and legislature by November 15 of each ~~even-numbered~~ year. The report shall
3.4 summarize the activities of the council since its last report, list receipts and expenditures,
3.5 identify the major problems and issues confronting Chicano/Latino people, make
3.6 recommendations to address issues, and list the specific objectives that the council seeks
3.7 to attain during the next biennium. The council shall report on outcome measures.

3.8 Sec. 3. Minnesota Statutes 2010, section 3.9225, subdivision 7, is amended to read:

3.9 Subd. 7. **Report.** The council shall prepare and ~~distribute~~ submit a report to the
3.10 governor and legislature by November 15 of each ~~even-numbered~~ year. The report shall
3.11 summarize the activities of the council since its last report, list receipts and expenditures,
3.12 identify the major problems and issues confronting Black people, make recommendations
3.13 to address issues, and list the specific objectives which the council seeks to attain during
3.14 the next biennium. The council shall report on outcome measures.

3.15 Sec. 4. Minnesota Statutes 2010, section 3.9226, subdivision 7, is amended to read:

3.16 Subd. 7. **Report.** The council shall prepare and ~~distribute~~ submit a report to the
3.17 governor and legislature by November 15 of each ~~even-numbered~~ year. The report
3.18 shall summarize the activities of the council since its last report, list receipts and
3.19 expenditures, identify the major problems and issues confronting Asian-Pacific people,
3.20 make recommendations to address issues, and list the specific objectives that the council
3.21 seeks to attain during the next biennium. The council shall report on outcome measures.

3.22 Sec. 5. **[3D.045] COORDINATION WITH LEGISLATIVE AUDITOR.**

3.23 To the extent possible, the commission and the Office of the Legislative Auditor
3.24 shall align their work so that audits and program evaluations conducted by the Office
3.25 of the Legislative Auditor can inform the work of the commission. The commission
3.26 may request the Office of the Legislative Auditor to provide updates on financial audits
3.27 and program evaluations the Office of the Legislative Auditor has prepared on agencies
3.28 scheduled for Sunset Advisory Commission review.

3.29 Sec. 6. Minnesota Statutes 2011 Supplement, section 3D.06, is amended to read:

3.30 **3D.06 AGENCY REPORT TO COMMISSION.**

4.1 (a) Before September 1 of the odd-numbered year before the year in which a
4.2 state agency is subject to sunset review, the agency commissioner shall report to the
4.3 commission:

4.4 (1) information regarding the application to the agency of the criteria in section
4.5 3D.10;

4.6 (2) ~~a priority-based~~ an outcome-based budget for the agency;

4.7 (3) an inventory of all boards, commissions, committees, and other entities related
4.8 to the agency; and

4.9 (4) any other information that the agency commissioner considers appropriate or that
4.10 is requested by the commission.

4.11 ~~The September 1 deadline in this section does not apply in 2011.~~

4.12 (b) The outcome-based budget required by paragraph (a) must be for each of the
4.13 agency's activities, as the term activity is used in state budgeting and must:

4.14 (1) identify the statutory authority for the activity;

4.15 (2) include one or more performance goals and associated performance measures
4.16 that measure outcomes, not inputs;

4.17 (3) discuss the extent to which each performance measure is reliable and verifiable,
4.18 and can be accurately measured;

4.19 (4) discuss the extent to which the agency has met each performance measure, and
4.20 the extent to which the budget devoted to the activity has permitted or prevented the
4.21 agency from meeting its performance goals;

4.22 (5) discuss efficiencies that would allow the agency to better meet its goals; and

4.23 (6) identify agencies at any level of government or private sector entities that provide
4.24 the same activities, and describe agency interaction with the activities provided by others.

4.25 Sec. 7. **[3D.065] REPORT ON PERSONNEL.**

4.26 By September 1 of the odd-numbered year before the year in which a state agency is
4.27 subject to sunset review, the commissioner of management and budget must report to the
4.28 Sunset Advisory Commission on the number of full-time equivalent employees and the
4.29 salary structure for each agency under review.

4.30 Sec. 8. **[16B.371] ASSISTANCE TO SMALL AGENCIES.**

4.31 (a) The commissioner may provide administrative support services to small agencies.

4.32 To promote efficiency and cost-effective use of state resources, and to improve financial
4.33 controls, the commissioner may require a small agency to receive administrative support
4.34 services through the Department of Administration or through another agency designated

5.1 by the commissioner. Services subject to this section include finance, accounting, payroll,
5.2 purchasing, human resources, and other services designated by the commissioner. The
5.3 commissioner may determine what constitutes a small agency for purposes of this section.
5.4 The commissioner, in consultation with the commissioner of management and budget and
5.5 small agencies, shall evaluate small agencies' needs for administrative support services.
5.6 If the commissioner provides administrative support services to a small agency, the
5.7 commissioner must enter into a service level agreement with the agency, specifying the
5.8 services to be provided and the costs and anticipated outcomes of the services.

5.9 (b) The Chicano Latino Affairs Council, the Council on Black Minnesotans, the
5.10 Council on Asian-Pacific Minnesotans, the Indian Affairs Council, the Minnesota State
5.11 Council on Disability, and the Combative Sports Commission must use the services
5.12 specified in paragraph (a).

5.13 (c) The commissioner of administration may assess agencies for services it provides
5.14 under this section. The amounts assessed are appropriated to the commissioner.

5.15 (d) For agencies covered in this section, the commissioner has the authority to require
5.16 the agency to comply with applicable state finance, accounting, payroll, purchasing, and
5.17 human resources policies. The agencies served retain the ownership and responsibility for
5.18 spending decisions and for ongoing implementation of appropriate business operations.

5.19 Sec. 9. Minnesota Statutes 2010, section 147.01, subdivision 4, is amended to read:

5.20 Subd. 4. **Disclosure.** Subject to the exceptions listed in this subdivision, all
5.21 communications or information received by or disclosed to the board relating to any
5.22 person or matter subject to its regulatory jurisdiction are confidential and privileged and
5.23 any disciplinary hearing shall be closed to the public.

5.24 (a) Upon application of a party in a proceeding before the board under section
5.25 147.091, the board shall produce and permit the inspection and copying, by or on behalf of
5.26 the moving party, of any designated documents or papers relevant to the proceedings, in
5.27 accordance with the provisions of rule 34, Minnesota Rules of Civil Procedure.

5.28 (b) If the board takes corrective action or imposes disciplinary measures of any kind,
5.29 whether by contested case or by settlement agreement, the name and business address of
5.30 the licensee, the nature of the misconduct, and the action taken by the board are public
5.31 data. If disciplinary action is taken by settlement agreement, the entire agreement is public
5.32 data. The board shall decide disciplinary matters, whether by settlement or by contested
5.33 case, by roll call vote. The votes are public data.

5.34 (c) The board shall exchange information with other licensing boards, agencies, or
5.35 departments within the state, as required under section 214.10, subdivision 8, paragraph

6.1 (c), and may release information in the reports required under section 147.02, subdivision
6.2 6.

6.3 (d) The board shall upon request furnish to a person who made a complaint, or the
6.4 alleged victim of a violation of section 147.091, subdivision 1, paragraph (t), or both, a
6.5 description of the activities and actions of the board relating to that complaint, a summary
6.6 of the results of an investigation of that complaint, and the reasons for actions taken
6.7 by the board.

6.8 (e) A probable cause hearing held pursuant to section 147.092 shall be closed to the
6.9 public, except for the notices of hearing made public by operation of section 147.092.

6.10 (f) Findings of fact, conclusions, and recommendations issued by the administrative
6.11 law judge, and transcripts of oral arguments before the board pursuant to a contested case
6.12 proceeding in which an administrative law judge found a violation of section 147.091,
6.13 subdivision 1, paragraph (t), are public data.

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

6.15 Sec. 10. Minnesota Statutes 2010, section 147.111, is amended by adding a subdivision
6.16 to read:

6.17 **Subd. 10. Failure to report.** Any person, health care facility, business, or
6.18 organization that fails to report as required under this section shall be subject to civil
6.19 penalties for failing to report as required by law.

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

6.21 Sec. 11. **[214.056] FEES COLLECTED; FUND TRANSFER PROHIBITED.**

6.22 Fees collected by health-related licensing boards, as defined in section 214.01,
6.23 subdivision 2, and the commissioner of health, as the regulator for occupational therapy
6.24 practitioners, speech-language pathologists, audiologists, and hearing instrument
6.25 dispensers, must be used only to pay the costs associated with regulation of occupations
6.26 and professions under the jurisdiction of those boards. The legislature must not transfer
6.27 money generated by these fees from the state government special revenue fund to the
6.28 general fund. Surcharges collected by a health-related licensing board under section
6.29 16E.22 are not subject to this section.

6.30 Sec. 12. **[214.072] HEALTH-RELATED LICENSING BOARDS; WEB SITE.**

6.31 (a) Each health-related licensing board, as defined in section 214.01, subdivision 2,
6.32 and the commissioner of health, as the regulator for occupational therapy practitioners,

7.1 speech-language pathologists, audiologists, and hearing instrument dispensers, are
7.2 required to post on its public Web site the name and business address of each regulated
7.3 individual who has:

7.4 (1) a conviction during the previous ten years of a felony or gross misdemeanor.
7.5 Conviction includes a conviction of an offense that if committed in this state would be
7.6 considered a felony or gross misdemeanor without regard to its designation elsewhere,
7.7 or a criminal proceeding where a finding or verdict of guilt is made or returned but the
7.8 adjudication of guilt is either withheld or not entered;

7.9 (2) a malpractice judgment entered against the regulated individual in any state or
7.10 jurisdiction within the past ten years. Information describing the judgments shall be
7.11 developed by the boards, shall be stated in plain English, and shall ensure the public
7.12 understands the context of the action involving the licensee; or

7.13 (3) any disciplinary or corrective action or restriction of privileges taken against
7.14 the individual's license by a state licensing board in this state or in any other state or
7.15 jurisdiction. The Web site shall identify the basis for disciplinary action, the type of
7.16 disciplinary action taken, and whether the action was taken by a licensing board in this or
7.17 another state or the federal government.

7.18 (b) Each board and the commissioner of health must post in-state information
7.19 required in paragraph (a) no later than January 1, 2013. Information from other states and
7.20 jurisdictions must be posted no later than July 1, 2013.

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

7.22 Sec. 13. **[214.073] HEALTH-RELATED LICENSING BOARDS; AUTHORITY.**

7.23 Each health-related licensing board, as defined in section 214.01, subdivision 2,
7.24 and the commissioner of health, as the regulator for occupational therapy practitioners,
7.25 speech-language pathologists, audiologists, and hearing instrument dispensers, shall
7.26 require an applicant to provide the individual's primary business address at the time of
7.27 initial application and all subsequent renewals.

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

7.29 Sec. 14. Minnesota Statutes 2010, section 341.22, is amended to read:

7.30 **341.22 COMBATIVE SPORTS COMMISSION.**

7.31 There is hereby created the Minnesota Combative Sports Commission consisting
7.32 of nine members who are citizens of this state. The members must be appointed by the
7.33 governor. One member of the commission must be a retired judge of the Minnesota

8.1 district court, Minnesota Court of Appeals, Minnesota Supreme Court, the United States
8.2 District Court for the District of Minnesota, or the Eighth Circuit Court of Appeals, and at
8.3 least four members must have knowledge of the boxing industry. At least four members
8.4 must have knowledge of the mixed martial arts industry. The governor shall make serious
8.5 efforts to appoint qualified women to serve on the commission. Membership terms,
8.6 compensation of members, removal of members, the filling of membership vacancies, and
8.7 fiscal year and reporting requirements must be as provided in sections 214.07 to 214.09. In
8.8 addition, two members of the house of representatives, including one member appointed
8.9 by the speaker and one member appointed by the minority leader, and two members of the
8.10 senate, including one member appointed by the majority leader and one member appointed
8.11 by the minority leader, shall serve as nonvoting members of the commission.

8.12 Unless otherwise provided, the provision of staff, administrative services, and office
8.13 space; the review and processing of complaints; the setting of fees; and other provisions
8.14 relating to commission operations are as provided in chapter 214. The purpose of the
8.15 commission is to protect health, promote safety, and ensure fair events.

8.16 Sec. 15. **HEALTH-RELATED LICENSING BOARDS; REPORTING.**

8.17 (a) By January 15, 2013, each health-related licensing board, as defined in Minnesota
8.18 Statutes, section 214.01, subdivision 2, and the commissioner of health, as the regulator for
8.19 occupational therapy practitioners, speech-language pathologists, audiologists, and hearing
8.20 instrument dispensers, shall submit to the Sunset Commission and the chairs and ranking
8.21 minority members of the legislative committees with jurisdiction over health and human
8.22 services draft legislation requiring institutions, professional societies, other licensed
8.23 professionals, and insurers and other entities to report conduct constituting grounds for
8.24 disciplinary action to the respective regulatory entity. Each board and the commissioner
8.25 must include in the draft legislation penalties that may be imposed for failure to report.

8.26 (b) Health-related occupations with existing statutory reporting obligations are
8.27 exempt from this section.

8.28 Sec. 16. **SUNSET ADVISORY COMMISSION; DEPARTMENT OF HEALTH**
8.29 **REVIEW.**

8.30 The Sunset Advisory Commission review of the Department of Health in 2013
8.31 and 2014 must include an analysis of the extent to which health occupations should be
8.32 licensed by the Department of Health, and which occupations should be licensed by
8.33 licensing boards.

9.1 Sec. 17. **REPORT; INVESTIGATIONS FOR HEALTH-RELATED LICENSING**
9.2 **BOARDS.**

9.3 The health-related licensing boards and the attorney general shall review and
9.4 make recommendations to the legislature by January 15, 2013, on the respective roles
9.5 of the boards and the attorney general in conducting investigations of licensees of the
9.6 health-related licensing boards.

9.7 Sec. 18. **REPORT; INFORMATION SYSTEMS FOR LICENSING BOARDS.**

9.8 The chief information officer of the Office of Enterprise Technology and the
9.9 commissioner of administration shall report to the legislature by January 15, 2013, on the
9.10 best method of providing electronic licensing systems to the health-related licensing
9.11 boards.

9.12 Sec. 19. **REPORT; HEALTH-RELATED LICENSING BOARD FEES.**

9.13 Each health-related licensing board shall report to the chair and lead minority
9.14 member of the senate and house of representatives committees with jurisdiction over
9.15 health and human services finance by January 15, 2013, on the degree to which fees
9.16 imposed by the board comply with Minnesota Statutes, sections 214.055 and 214.06.
9.17 If a board determines that its fees are expected to produce more revenue than needed
9.18 to recover expenditures during a five-year period, the board must propose reductions
9.19 in those fees to the legislature.

9.20 Sec. 20. **REPORTS; ADMINISTRATIVE SUPPORT SERVICES.**

9.21 (a) The commissioner of administration shall report to the legislature by January 15,
9.22 2013, on use of the SMART program by executive branch agencies.

9.23 (b) The administrative services unit of health-related licensing boards shall report to
9.24 the legislature by January 15, 2013, evaluating use of the units' services by health-related
9.25 licensing boards.

9.26 Sec. 21. **REPORT; HEALTH-RELATED LICENSING BOARD AND**
9.27 **COMMISSIONER OF HEALTH BACKGROUND CHECKS.**

9.28 The health-related licensing boards and the commissioner of health shall jointly
9.29 study and make recommendations for establishing uniform criminal history background
9.30 check requirements applicable to applicants and regulated individuals under their
9.31 jurisdiction. The study must include procedures for conducting background checks,
9.32 payment of costs, circumstances under which federal background checks are to be

10.1 conducted, and the standard to be applied to determine whether a criminal record may
10.2 disqualify an individual from licensure or a regulated occupation. By January 15, 2013,
10.3 the boards and the commissioner shall submit a report and draft legislation to the chair
10.4 and ranking minority member of the senate and house of representatives committees with
10.5 jurisdiction over health and human services and data practices issues.

10.6 Sec. 22. **PRACTICE ACT; STUDY.**

10.7 The Board of Medical Practice shall convene a working group to evaluate the state's
10.8 Medical Practice Act to ensure that it effectively protects the safety and well-being of the
10.9 citizens of the state and allows transparency. In this evaluation the working group shall
10.10 consider practice acts in other states, including conduct that may result in disciplinary
10.11 action. The working group shall consult with consumers and experts. The board shall
10.12 submit draft legislation modifying the practice for consideration in the 2013 legislative
10.13 session.

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

10.15 Sec. 23. **BOARD OF MEDICAL PRACTICE REVIEW.**

10.16 The legislative auditor is requested to conduct a special investigation of the
10.17 Minnesota Board of Medical Practice and its implementation of the Medical Practice Act.
10.18 The legislative auditor is requested to submit the results of the investigation to the Sunset
10.19 Advisory Commission and the senate and house of representatives policy committees
10.20 having jurisdiction over the board by January 1, 2013.

10.21 Sec. 24. **APPROPRIATION.**

10.22 (a) The commissioner of administration may assess agencies for services it provides
10.23 under Minnesota Statutes, section 16B.371. The amounts assessed are appropriated to
10.24 the commissioner.

10.25 (b) \$45,000 is appropriated in fiscal year 2013 from the state government special
10.26 revenue fund to the Office of the Legislative Auditor to conduct the special investigation
10.27 of the Board of Medical Practice in section 23.

10.28 Sec. 25. **REPEALER.**

10.29 Minnesota Statutes 2010, sections 138A.01; 138A.02; 138A.03; 138A.04; 138A.05;
10.30 and 138A.06, are repealed effective the day following final enactment.

APPENDIX
Article locations in S2304-5

ARTICLE 1 SUNSET REVIEW Page.Ln 1.16
ARTICLE 2 ADMINISTRATIVE PROCEDURES AND FEES Page.Ln 2.23

138A.01 LABOR INTERPRETIVE CENTER; BOARD OF DIRECTORS.

Subdivision 1. **Establishment.** The Labor Interpretive Center is a public corporation of the state and is not subject to the laws governing a state agency except as provided in this chapter.

Subd. 2. **Purpose.** The purpose of the Labor Interpretive Center is to celebrate the contribution of working people to the past, present, and future of Minnesota; to spur an interest among the people of Minnesota in their own family and community traditions of work; to help young people discover their work skills and opportunities for a productive working life; and to advance the teaching of work and labor studies in schools and colleges.

Subd. 3. **Board of directors.** The center is governed by a board of ten directors. The membership terms, compensation, removal, and filling of vacancies of members of the board are as provided in section 15.0575. Membership of the board consists of:

- (1) three directors appointed by the governor;
- (2) one director appointed by the mayor of St. Paul, subject to the approval of the city council;
- (3) three directors appointed by the speaker of the house; and
- (4) three directors appointed by the Subcommittee on Committees of the senate Committee on Rules and Administration.

Directors must be representatives of labor, business, state and local government, local education authorities, and arts groups. The chairs of the senate Committee on Jobs, Energy, and Community Development and the house of representatives Committee on Labor-Management Relations shall serve as nonvoting members.

The board shall select a chair of the board from its members, and any other officers of the board deemed necessary.

Subd. 4. **Location.** The center must be located in the Capitol area of St. Paul as defined in section 15B.02, at the site recommended by the Capitol Area Architectural and Planning Board.

Subd. 5. **Meetings of the board.** The board shall meet at least twice a year and may hold additional meetings upon giving notice. Board meetings are subject to chapter 13D.

Subd. 6. **Conflict of interest.** A director, employee, or officer of the center may not participate in or vote on a decision of the board relating to a matter in which the director has either a direct or indirect financial interest or a conflict of interest as described in section 10A.07.

Subd. 7. **Tort claims.** The center is a state agency for purposes of section 3.736.

138A.02 CENTER PERSONNEL.

Subdivision 1. **Generally.** The board shall appoint an executive director of the center to serve in the unclassified service. The executive director must be chosen on the basis of training, experience, and knowledge in the areas of labor history and the changing world of work. The center shall employ staff, consultants, and other parties necessary to carry out the mission of the center.

Subd. 2. **Status of employees.** Employees of the center are executive branch state employees.

138A.03 POWERS; DUTIES; BOARD; CENTER.

Subdivision 1. **General powers.** The board has the powers necessary for the care, management, and direction of the center. The powers include:

- (1) overseeing the planning and construction of the center as funds are available;
- (2) leasing a temporary facility for the center during development of its organization and program; and
- (3) establishing advisory groups as needed to advise the board on program, policy, and related issues.

Subd. 2. **Duties.** The center is a state agency for purposes of the following accounting and budgeting requirements:

- (1) financial reports and other requirements under section 16A.06;
- (2) the state budget system under sections 16A.095, 16A.10, and 16A.11;
- (3) the state allotment and encumbrance, and accounting systems under sections 16A.14, subdivisions 2, 3, 4, and 5; and 16A.15, subdivisions 2 and 3; and
- (4) indirect costs under section 16A.127.

Subd. 3. **Program.** The board shall appoint a program advisory group to oversee the development of the center's programming. It must consist of representatives of cultural and educational organizations, labor education specialists, and curriculum supervisors in local schools.

APPENDIX

Repealed Minnesota Statutes: S2304-5

The program of the center may be implemented through exhibits, performances, seminars, films and multimedia presentations, participatory programs for all ages, and a resource center for teachers. Collaborative program development is encouraged with technical colleges, the Minnesota Historical Society, and other cultural institutions.

Subd. 4. **Board of governors.** The board may establish a board of governors to incorporate as a nonprofit organization to receive donations for the center and to serve as honorary advisors to the board of directors.

138A.04 LABOR INTERPRETIVE CENTER ACCOUNT.

The Minnesota labor interpretive center account is an account in the special revenue fund. Funds in the account not needed for the immediate purposes of the center may be invested by the state Board of Investment in any way authorized by section 11A.24. Funds in the account are appropriated to the center to be used as provided in this chapter.

138A.05 AUDITS.

The center is subject to the auditing requirements of sections 3.971 and 3.972.

138A.06 ANNUAL REPORTS.

The board shall submit annual reports to the legislature on the planning, development, and activities of the center. The board shall supply more frequent reports if requested.