

**SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION**

S.F. No. 2611

(SENATE AUTHORS: PRATT, Westrom, Osmek and Dahms)

DATE	D-PG	OFFICIAL STATUS
03/20/2019	1066	Introduction and first reading
		Referred to Jobs and Economic Growth Finance and Policy
04/10/2019		Comm report: To pass as amended and re-refer to Finance See SF2226

1.1 A bill for an act

1.2 relating to jobs; appropriating money for the Departments of Employment and

1.3 Economic Development, Labor and Industry, Human Services, and Commerce;

1.4 the Bureau of Mediation Services; Public Employment Relations Board; Housing

1.5 Finance Agency; Workers' Compensation Court of Appeals; and Public Utilities

1.6 Commission; making policy and technical changes; modifying fees; providing

1.7 criminal and civil penalties; requiring reports; amending Minnesota Statutes 2018,

1.8 sections 16C.285, subdivision 3; 116J.8731, subdivision 5; 116J.8748, subdivision

1.9 4; 177.27, subdivisions 2, 4, 7, 8, by adding subdivisions; 177.30; 177.32,

1.10 subdivision 1; 181.03, subdivision 1, by adding subdivisions; 181.032; 181.101;

1.11 182.659, subdivision 8; 182.666, subdivisions 1, 2, 3, 4, 5, by adding a subdivision;

1.12 326B.802, subdivision 15; 327C.095, subdivisions 1, 2, 3, 4, 12, 13; 341.30,

1.13 subdivision 1; 341.32, subdivision 1; 341.321; 345.515; 345.53, subdivision 1, by

1.14 adding a subdivision; 609.52, subdivisions 1, 2, 3; proposing coding for new law

1.15 in Minnesota Statutes, chapters 177; 181; 216C; proposing coding for new law as

1.16 Minnesota Statutes, chapter 345A; repealing Minnesota Statutes 2018, sections

1.17 177.27, subdivisions 1, 3; 345.53, subdivision 2.

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

1.19 **ARTICLE 1**

1.20 **APPROPRIATIONS**

1.21 Section 1. **JOBS AND ECONOMIC DEVELOPMENT APPROPRIATIONS.**

1.22 The sums shown in the columns marked "Appropriations" are appropriated to the agencies

1.23 and for the purposes specified in this article. The appropriations are from the general fund,

1.24 or another named fund, and are available for the fiscal years indicated for each purpose.

1.25 The figures "2020" and "2021" used in this article mean that the appropriations listed under

1.26 them are available for the fiscal year ending June 30, 2020, or June 30, 2021, respectively.

1.27 "The first year" is fiscal year 2020. "The second year" is fiscal year 2021. "The biennium"

1.28 is fiscal years 2020 and 2021.

2.1				<u>APPROPRIATIONS</u>
2.2				<u>Available for the Year</u>
2.3				<u>Ending June 30</u>
2.4				<u>2020</u> <u>2021</u>
2.5	Sec. 2. <u>DEPARTMENT OF EMPLOYMENT</u>			
2.6	<u>AND ECONOMIC DEVELOPMENT</u>			
2.7	<u>Subdivision 1. Total Appropriation</u>		\$	<u>220,733,000</u> \$ <u>177,736,000</u>
2.8		<u>Appropriations by Fund</u>		
2.9		<u>2020</u>	<u>2021</u>	
2.10	<u>General</u>	<u>189,874,000</u>	<u>147,374,000</u>	
2.11	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>	
2.12	<u>Workforce</u>			
2.13	<u>Development</u>	<u>30,159,000</u>	<u>29,662,000</u>	
2.14	<u>The amounts that may be spent for each</u>			
2.15	<u>purpose are specified in the following</u>			
2.16	<u>subdivisions.</u>			
2.17	<u>Subd. 2. Business and Community Development</u>			
2.18		<u>Appropriations by Fund</u>		
2.19	<u>General</u>	<u>46,336,000</u>	<u>44,336,000</u>	
2.20	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>	
2.21	<u>Workforce</u>			
2.22	<u>Development</u>	<u>1,350,000</u>	<u>1,350,000</u>	
2.23	<u>(a) \$12,500,000 each year is for the Minnesota</u>			
2.24	<u>investment fund under Minnesota Statutes,</u>			
2.25	<u>section 116J.8731. Of this amount, up to three</u>			
2.26	<u>percent is for administration and monitoring</u>			
2.27	<u>of the program. This appropriation is available</u>			
2.28	<u>until spent. Notwithstanding Minnesota</u>			
2.29	<u>Statutes, section 116J.8731, funds</u>			
2.30	<u>appropriated to the commissioner for the</u>			
2.31	<u>Minnesota investment fund may be used for</u>			
2.32	<u>the redevelopment program under Minnesota</u>			
2.33	<u>Statutes, sections 116J.575 and 116J.5761, at</u>			
2.34	<u>the discretion of the commissioner. Grants</u>			
2.35	<u>under this paragraph are not subject to the</u>			

- 3.1 grant amount limitation under Minnesota
3.2 Statutes, section 116J.8731.
- 3.3 (b) \$8,000,000 each year is for the Minnesota
3.4 job creation fund under Minnesota Statutes,
3.5 section 116J.8748. Of this amount, up to three
3.6 percent is for administration and monitoring
3.7 of the program. This appropriation is available
3.8 until spent.
- 3.9 (c) \$1,000,000 each year is for the Minnesota
3.10 emerging entrepreneur loan program under
3.11 Minnesota Statutes, section 116M.18. Funds
3.12 available under this paragraph are for transfer
3.13 into the emerging entrepreneur program
3.14 special revenue fund account created under
3.15 Minnesota Statutes, chapter 116M, and are
3.16 available until spent.
- 3.17 (d) \$1,350,000 each year from the workforce
3.18 development fund is for job training costs
3.19 under Minnesota Statutes, section 116L.42.
- 3.20 (e) \$1,787,000 each year is for the greater
3.21 Minnesota business development public
3.22 infrastructure grant program under Minnesota
3.23 Statutes, section 116J.431. This appropriation
3.24 is available until spent.
- 3.25 (f) \$139,000 each year is for the Center for
3.26 Rural Policy and Development.
- 3.27 (g) \$1,772,000 each year is for contaminated
3.28 site cleanup and development grants under
3.29 Minnesota Statutes, sections 116J.551 to
3.30 116J.558. This appropriation is available until
3.31 spent.
- 3.32 (h) \$700,000 each year is from the remediation
3.33 fund for contaminated site cleanup and
3.34 development grants under Minnesota Statutes,

4.1 sections 116J.551 to 116J.558. This
4.2 appropriation is available until spent.

4.3 (i) \$1,425,000 each year is for the business
4.4 development competitive grant program. Of
4.5 this amount, up to five percent is for
4.6 administration and monitoring of the business
4.7 development competitive grant program. All
4.8 grant awards shall be for two consecutive
4.9 years. Grants shall be awarded in the first year.

4.10 (j) \$4,195,000 each year is for the Minnesota
4.11 job skills partnership program under
4.12 Minnesota Statutes, sections 116L.01 to
4.13 116L.17. If the appropriation for either year
4.14 is insufficient, the appropriation for the other
4.15 year is available. This appropriation is
4.16 available until spent.

4.17 (k) \$875,000 each year is from the general
4.18 fund for the host community economic
4.19 development program established in
4.20 Minnesota Statutes, section 116J.548.

4.21 (l) \$25,000 each year is for the administration
4.22 of state aid for the Destination Medical Center
4.23 under Minnesota Statutes, sections 469.40 to
4.24 469.47.

4.25 (m) \$750,000 each year is for a grant to the
4.26 Neighborhood Development Center for small
4.27 business programs. This is a onetime
4.28 appropriation.

4.29 (n) \$1,175,000 each year is for a grant to the
4.30 Metropolitan Economic Development
4.31 Association (MEDA) for statewide business
4.32 development and assistance services, including
4.33 services to entrepreneurs with businesses that
4.34 have the potential to create job opportunities

- 5.1 for unemployed and underemployed people,
5.2 with an emphasis on minority-owned
5.3 businesses. This is a onetime appropriation.
- 5.4 (o) \$125,000 each year is for a grant to the
5.5 White Earth Nation for the White Earth Nation
5.6 Integrated Business Development System to
5.7 provide business assistance with workforce
5.8 development, outreach, technical assistance,
5.9 infrastructure and operational support,
5.10 financing, and other business development
5.11 activities. This is a onetime appropriation.
- 5.12 (p) \$1,175,000 each year is for a grant to
5.13 Enterprise Minnesota, Inc. for the small
5.14 business growth acceleration program under
5.15 Minnesota Statutes, section 116O.115. This
5.16 is a onetime appropriation.
- 5.17 (q) \$12,000 each year is from the general fund
5.18 for a grant to the Upper Minnesota Film
5.19 Office.
- 5.20 (r) \$163,000 each year is from the general fund
5.21 for the Minnesota Film and TV Board. The
5.22 appropriation in each year is available only
5.23 upon receipt by the board of \$1 in matching
5.24 contributions of money or in-kind
5.25 contributions from nonstate sources for every
5.26 \$3 provided by this appropriation, except that
5.27 each year up to \$50,000 is available on July
5.28 1 even if the required matching contribution
5.29 has not been received by that date.
- 5.30 (s) \$500,000 each year is from the general
5.31 fund for a grant to the Minnesota Film and TV
5.32 Board for the film production jobs program
5.33 under Minnesota Statutes, section 116U.26.
5.34 This appropriation is available until spent.

6.1 (t) \$500,000 each year is for the child care
 6.2 economic grant program in article 7 to increase
 6.3 the supply of quality child care providers to
 6.4 support economic development. This is a
 6.5 onetime appropriation.

6.6 (u) \$4,500,000 each year is to establish the
 6.7 Minnesota Innovation Collaborative. Of this
 6.8 amount:

6.9 (1) \$2,900,000 each year is for innovation
 6.10 grants to eligible Minnesota entrepreneurs or
 6.11 start-up businesses to assist with their
 6.12 operating needs. Of this amount, five percent
 6.13 is for the department's administrative costs;

6.14 (2) \$850,000 each year is for administration
 6.15 of the Minnesota Innovation Collaborative;
 6.16 and

6.17 (3) \$750,000 each year is for grantee activities
 6.18 at the Minnesota Innovation Collaborative. Of
 6.19 this amount, five percent is for the
 6.20 department's administrative costs.

6.21 This is a onetime appropriation and funds are
 6.22 available until June 30, 2023.

6.23 (v) \$2,000,000 in fiscal year 2020 is for the
 6.24 Community Prosperity Grant Program to
 6.25 provide grants to local and regional
 6.26 communities to engage in innovative economic
 6.27 development projects that support economic
 6.28 growth and equitable prosperity. This is a
 6.29 onetime appropriation. Funds are available
 6.30 until June 30, 2021.

6.31 **Subd. 3. Broadband Development** 35,250,000 35,250,000

6.32 (a) \$250,000 each year is for the Broadband
 6.33 Development Office.

7.1 (b) \$35,000,000 each year is for deposit in the
 7.2 border-to-border broadband fund account
 7.3 created under Minnesota Statutes, section
 7.4 116J.396, and may be used for the purposes
 7.5 provided in Minnesota Statutes, section
 7.6 116J.395. This is a onetime appropriation.
 7.7 This appropriation is available until spent.

7.8 **Subd. 4. Minnesota Trade Office** 2,292,000 2,292,000

7.9 (a) \$300,000 each year is for the STEP grants
 7.10 in Minnesota Statutes, section 116J.979.

7.11 (b) \$180,000 each year is for the Invest
 7.12 Minnesota Marketing Initiative in Minnesota
 7.13 Statutes, section 116J.9781.

7.14 (c) \$270,000 each year is for the Minnesota
 7.15 Trade Offices under Minnesota Statutes,
 7.16 section 116J.978.

7.17 (d) \$50,000 each year is for the trade policy
 7.18 advisory group under Minnesota Statutes,
 7.19 section 116J.9661.

7.20 **Subd. 5. Workforce Development** 32,213,000 31,716,000

7.21	<u>Appropriations by Fund</u>		
7.22	<u>General</u>	<u>11,289,000</u>	<u>11,289,000</u>
7.23	<u>Workforce</u>		
7.24	<u>Development</u>	<u>20,427,000</u>	<u>20,924,000</u>

7.25 (a) \$4,039,000 each year from the general fund
 7.26 and \$4,604,000 each year from the workforce
 7.27 development fund are for the pathways to
 7.28 prosperity competitive grant program. Of this
 7.29 amount, up to four percent is for
 7.30 administration and monitoring of the program.

7.31 (b) \$4,050,000 each year is from the
 7.32 workforce development fund for the
 7.33 Minnesota youth program under Minnesota
 7.34 Statutes, sections 116L.56 and 116L.561.

8.1 (c) \$1,000,000 each year is from the workforce
8.2 development fund for the youthbuild program
8.3 under Minnesota Statutes, sections 116L.361
8.4 to 116L.366.

8.5 (d) \$2,250,000 each year is from the general
8.6 fund and \$3,348,000 each year is from the
8.7 workforce development fund for the youth at
8.8 work competitive grant program under
8.9 Minnesota Statutes, section 116L.562. Of this
8.10 amount, up to five percent is for administration
8.11 and monitoring of the youth workforce
8.12 development competitive grant program. All
8.13 grant awards shall be for two consecutive
8.14 years. Grants shall be awarded in the first year.
8.15 The base for this program in fiscal year 2022
8.16 is \$750,000 from the general fund and
8.17 \$3,348,000 from the workforce development
8.18 fund.

8.19 (e) \$500,000 each year from the general fund
8.20 and \$500,000 each year from the workforce
8.21 development fund are for rural career
8.22 counseling coordinators in the workforce
8.23 service areas and for the purposes specified
8.24 under Minnesota Statutes, section 116L.667.

8.25 (f) \$250,000 each year is for the higher
8.26 education career advising program.

8.27 (g) \$1,000,000 each year is for a competitive
8.28 grant program for grants to organizations
8.29 providing services to relieve economic
8.30 disparities in the Southeast Asian community
8.31 through workforce recruitment, development,
8.32 job creation, assistance of smaller
8.33 organizations to increase capacity, and
8.34 outreach. Of this amount, up to five percent

- 9.1 is for administration and monitoring of the
9.2 program.
- 9.3 (h) \$1,000,000 each year is for a competitive
9.4 grant program to provide grants to
9.5 organizations that provide support services for
9.6 individuals, such as job training, employment
9.7 preparation, internships, job assistance to
9.8 fathers, financial literacy, academic and
9.9 behavioral interventions for low-performing
9.10 students, and youth intervention. Grants made
9.11 under this section must focus on low-income
9.12 communities, young adults from families with
9.13 a history of intergenerational poverty, and
9.14 communities of color. Of this amount, up to
9.15 four percent is for administration and
9.16 monitoring of the program.
- 9.17 (i) \$750,000 each year is for the high-wage,
9.18 high-demand, nontraditional jobs grant
9.19 program under Minnesota Statutes, section
9.20 116L.99. Of this amount, up to five percent is
9.21 for administration and monitoring of the
9.22 program.
- 9.23 (j) \$500,000 each year is from the workforce
9.24 development fund for the Opportunities
9.25 Industrialization Center programs. This
9.26 appropriation shall be divided equally among
9.27 the eligible centers.
- 9.28 (k) \$250,000 each year is from the workforce
9.29 development fund for a grant to YWCA St.
9.30 Paul to provide job training services and
9.31 workforce development programs and
9.32 services, including job skills training and
9.33 counseling. This is a onetime appropriation.

- 10.1 (l) \$525,000 each year is from the workforce
10.2 development fund for a grant to the YWCA
10.3 of Minneapolis to provide economically
10.4 challenged individuals the jobs skills training,
10.5 career counseling, and job placement
10.6 assistance necessary to secure a child
10.7 development associate credential and to have
10.8 a career path in early childhood education.
10.9 This is a onetime appropriation.
- 10.10 (m) \$1,000,000 each year is from the
10.11 workforce development fund for a grant to
10.12 EMERGE Community Development, in
10.13 collaboration with community partners, for
10.14 services targeting Minnesota communities
10.15 with the highest concentrations of African and
10.16 African-American joblessness, based on the
10.17 most recent census tract data, to provide
10.18 employment readiness training, credentialed
10.19 training placement, job placement and
10.20 retention services, supportive services for
10.21 hard-to-employ individuals, and a general
10.22 education development fast track and adult
10.23 diploma program. This is a onetime
10.24 appropriation.
- 10.25 (n) \$1,000,000 each year is from the
10.26 workforce development fund for a grant to the
10.27 Minneapolis Foundation for a strategic
10.28 intervention program designed to target and
10.29 connect program participants to meaningful,
10.30 sustainable living-wage employment. This is
10.31 a onetime appropriation.
- 10.32 (o) \$1,297,000 in fiscal year 2020 and
10.33 \$800,000 in fiscal year 2021 are from the
10.34 workforce development fund for performance
10.35 grants under Minnesota Statutes, section

11.1 116J.8747, to Twin Cities R!SE to provide
11.2 training to hard-to-train individuals. This is a
11.3 onetime appropriation.

11.4 (p) \$750,000 each year is from the workforce
11.5 development fund for a grant to Latino
11.6 Communities United in Service (CLUES) to
11.7 expand culturally tailored programs that
11.8 address employment and education skill gaps
11.9 for working parents and underserved youth by
11.10 providing new job skills training to stimulate
11.11 higher wages for low-income people, family
11.12 support systems designed to reduce
11.13 intergenerational poverty, and youth
11.14 programming to promote educational
11.15 advancement and career pathways. At least
11.16 50 percent of this amount must be used for
11.17 programming targeted at greater Minnesota.
11.18 This is a onetime appropriation.

11.19 (q) \$250,000 each year is for transfer to the
11.20 Department of Education for a grant to the
11.21 American Indian Opportunities and
11.22 Industrialization Center, in collaboration with
11.23 the Northwest Indian Community
11.24 Development Center, to reduce academic
11.25 disparities for American Indian students and
11.26 adults. This is a onetime appropriation. The
11.27 grant funds may be used to provide:

11.28 (1) student tutoring and testing support
11.29 services;

11.30 (2) training in information technology;

11.31 (3) assistance in obtaining a GED;

11.32 (4) remedial training leading to enrollment in
11.33 a postsecondary higher education institution;

- 12.1 (5) real-time work experience in information
12.2 technology fields; and
- 12.3 (6) contextualized adult basic education.
- 12.4 After notification to the legislature, the
12.5 commissioner may transfer this appropriation
12.6 to the commissioner of education.
- 12.7 (r) \$600,000 each year from the workforce
12.8 development fund is for a grant to Ujamaa
12.9 Place for job training, employment
12.10 preparation, internships, education, training
12.11 in the construction trades, housing, and
12.12 organizational capacity-building. This is a
12.13 onetime appropriation.
- 12.14 (s) \$1,000,000 each year from the workforce
12.15 development fund is for a grant to the
12.16 Construction Careers Foundation for the
12.17 construction career pathway initiative to
12.18 provide year-round educational and
12.19 experiential learning opportunities for teens
12.20 and young adults under the age of 21 that lead
12.21 to careers in the construction industry. This is
12.22 a onetime appropriation. Grant funds must be
12.23 used to:
- 12.24 (1) increase construction industry exposure
12.25 activities for middle school and high school
12.26 youth, parents, and counselors to reach a more
12.27 diverse demographic and broader statewide
12.28 audience. This requirement includes, but is
12.29 not limited to, an expansion of programs to
12.30 provide experience in different crafts to youth
12.31 and young adults throughout the state;
- 12.32 (2) increase the number of high schools in
12.33 Minnesota offering construction classes during

- 13.1 the academic year that utilize a multicraft
13.2 curriculum;
- 13.3 (3) increase the number of summer internship
13.4 opportunities;
- 13.5 (4) enhance activities to support graduating
13.6 seniors in their efforts to obtain employment
13.7 in the construction industry;
- 13.8 (5) increase the number of young adults
13.9 employed in the construction industry and
13.10 ensure that they reflect Minnesota's diverse
13.11 workforce; and
- 13.12 (6) enhance an industrywide marketing
13.13 campaign targeted to youth and young adults
13.14 about the depth and breadth of careers within
13.15 the construction industry.
- 13.16 Programs and services supported by grant
13.17 funds must give priority to individuals and
13.18 groups that are economically disadvantaged
13.19 or historically underrepresented in the
13.20 construction industry, including but not limited
13.21 to women, veterans, and members of minority
13.22 and immigrant groups.
- 13.23 (t) \$1,000,000 each year is for grants for
13.24 positive youth development, community
13.25 engagement, legal services, and capacity
13.26 building for community-based organizations
13.27 servicing Somali youth, including youth
13.28 engagement, risk prevention, and intervention
13.29 activities that help build the resiliency of the
13.30 Somali-Minnesotan community and address
13.31 challenges facing Somali youth. Of this
13.32 amount, \$1,000,000 is for a grant to
13.33 Youthprise for activities provided in this
13.34 paragraph. Funded projects must provide

14.1 culturally and linguistically relevant services.
 14.2 To the maximum extent possible, 50 percent
 14.3 of the funding must be distributed in greater
 14.4 Minnesota, and 50 percent of the funding must
 14.5 be distributed within the metropolitan area, as
 14.6 defined in Minnesota Statutes, section
 14.7 473.121, subdivision 2. Of the amount
 14.8 appropriated for grants to be awarded by the
 14.9 commissioner, up to five percent is for
 14.10 administration and monitoring of the program.
 14.11 This is a onetime appropriation and is
 14.12 available until June 30, 2022.

14.13 (u) \$250,000 each year is for increased grantee
 14.14 support from the department to ensure
 14.15 successful program delivery and improved
 14.16 program outcome analysis. This is a onetime
 14.17 appropriation.

14.18 (v) \$500,000 each year is from the workforce
 14.19 development fund for the Nonprofit Assistance
 14.20 Grant Fund to make grants for infrastructure
 14.21 support to small nonprofit organizations that
 14.22 serve historically underserved cultural
 14.23 communities.

14.24 Subd. 6. Vocational Rehabilitation 37,191,000 37,191,000

	<u>Appropriations by Fund</u>	
14.25		
14.26	<u>General</u>	<u>29,361,000</u> <u>29,361,000</u>
14.27	<u>Workforce</u>	
14.28	<u>Development</u>	<u>7,830,000</u> <u>7,830,000</u>

14.29 (a) \$14,800,000 each year is for the state's
 14.30 vocational rehabilitation program under
 14.31 Minnesota Statutes, chapter 268A.

14.32 (b) \$3,011,000 each year is from the general
 14.33 fund for grants to centers for independent
 14.34 living under Minnesota Statutes, section
 14.35 268A.11.

15.1 (c) \$6,995,000 each year from the workforce
 15.2 development fund and \$6,830,000 each year
 15.3 from the general fund are for extended
 15.4 employment services for persons with severe
 15.5 disabilities under Minnesota Statutes, section
 15.6 268A.15.

15.7 (d) \$1,000,000 each year is from the
 15.8 workforce development fund for grants under
 15.9 Minnesota Statutes, section 268A.16, for
 15.10 employment services for persons, including
 15.11 transition-aged youth, who are deaf, deafblind,
 15.12 or hard-of-hearing. If the amount in the first
 15.13 year is insufficient, the amount in the second
 15.14 year is available in the first year. Of this
 15.15 amount, up to five percent is for administration
 15.16 and monitoring of the program.

15.17 (e) \$2,555,000 each year is for grants to
 15.18 programs that provide employment support
 15.19 services to persons with mental illness under
 15.20 Minnesota Statutes, sections 268A.13 and
 15.21 268A.14.

15.22 Subd. 7. **Services for the Blind** 6,425,000 6,425,000

15.23 \$500,000 each year is to provide services for
 15.24 senior citizens who are becoming blind. At
 15.25 least half of the funds appropriated must be
 15.26 used to provide training services for seniors
 15.27 who are becoming blind. Training services
 15.28 must provide independent living skills to
 15.29 seniors who are becoming blind to allow them
 15.30 to continue to live independently in their
 15.31 homes.

15.32 Subd. 8. **General Support Services** 4,726,000 4,726,000

16.1	<u>Appropriations by Fund</u>		
16.2	<u>General</u>	<u>4,671,000</u>	<u>4,671,000</u>
16.3	<u>Workforce</u>		
16.4	<u>Development</u>	<u>55,000</u>	<u>55,000</u>
16.5	<u>(a) \$250,000 each year is for the publication,</u>		
16.6	<u>dissemination, and use of labor market</u>		
16.7	<u>information under Minnesota Statutes, section</u>		
16.8	<u>116J.4011.</u>		
16.9	<u>(b) \$1,269,000 each year is for transfer to the</u>		
16.10	<u>Minnesota Housing Finance Agency for</u>		
16.11	<u>operating the Olmstead Implementation</u>		
16.12	<u>Office.</u>		
16.13	<u>(c) \$500,000 each year is for the</u>		
16.14	<u>capacity-building grant program to assist</u>		
16.15	<u>nonprofit organizations offering or seeking to</u>		
16.16	<u>offer workforce development and economic</u>		
16.17	<u>development programming.</u>		
16.18	<u>Subd. 9. Paid Family Leave</u>	<u>54,250,000</u>	<u>13,750,000</u>
16.19	<u>This amount is for costs related to the</u>		
16.20	<u>implementation of a paid family leave</u>		
16.21	<u>program. This is a onetime appropriation.</u>		
16.22	<u>Sec. 3. HOUSING FINANCE AGENCY</u>		
16.23	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 66,798,000</u>	<u>\$ 64,798,000</u>
16.24	<u>The amounts that may be spent for each</u>		
16.25	<u>purpose are specified in the following</u>		
16.26	<u>subdivisions.</u>		
16.27	<u>Unless otherwise specified, this appropriation</u>		
16.28	<u>is for transfer to the housing development fund</u>		
16.29	<u>for the programs specified in this section.</u>		
16.30	<u>Except as otherwise indicated, this transfer is</u>		
16.31	<u>part of the agency's permanent budget base.</u>		
16.32	<u>Subd. 2. Challenge Program</u>	<u>17,925,000</u>	<u>17,925,000</u>

- 17.1 This appropriation is for the economic
 17.2 development and housing challenge program
 17.3 under Minnesota Statutes, section 462A.33.
 17.4 Of this amount, \$1,208,000 each year shall be
 17.5 made available during the first 11 months of
 17.6 the fiscal year exclusively for housing projects
 17.7 for American Indians. Any funds not
 17.8 committed to housing projects for American
 17.9 Indians in the first 11 months of the fiscal year
 17.10 shall be available for any eligible activity
 17.11 under Minnesota Statutes, section 462A.33.
- 17.12 The base for this program in fiscal year 2022
 17.13 and beyond is \$13,925,000.
- 17.14 **Subd. 3. Workforce Housing Development** 2,000,000 2,000,000
- 17.15 This appropriation is for the workforce
 17.16 housing development program under
 17.17 Minnesota Statutes, section 462A.39. If
 17.18 requested by the applicant and approved by
 17.19 the agency, funded properties may include a
 17.20 portion of income and rent restricted units.
- 17.21 **Subd. 4. Housing Trust Fund** 11,646,000 11,646,000
- 17.22 This appropriation is for deposit in the housing
 17.23 trust fund account created under Minnesota
 17.24 Statutes, section 462A.201, and may be used
 17.25 for the purposes provided in that section.
- 17.26 **Subd. 5. Rental Assistance for Mentally Ill** 4,588,000 4,588,000
- 17.27 This appropriation is for the rental housing
 17.28 assistance program for persons with a mental
 17.29 illness or families with an adult member with
 17.30 a mental illness under Minnesota Statutes,
 17.31 section 462A.2097. Among comparable
 17.32 proposals, the agency shall prioritize those
 17.33 proposals that target, in part, eligible persons

18.1 who desire to move to more integrated,
 18.2 community-based settings.

18.3 **Subd. 6. Family Homeless Prevention** 10,519,000 10,519,000

18.4 This appropriation is for the family homeless
 18.5 prevention and assistance programs under
 18.6 Minnesota Statutes, section 462A.204.

18.7 **Subd. 7. Homework Starts with Home** 3,000,000 3,000,000

18.8 This appropriation is for the homework starts
 18.9 with home program under Minnesota Statutes,
 18.10 sections 462A.201, subdivision 2, paragraph
 18.11 (a), clause (4), and 462A.204, subdivision 8,
 18.12 to provide assistance to homeless or highly
 18.13 mobile families with children eligible for
 18.14 enrollment in a prekindergarten through grade
 18.15 12 academic program.

18.16 **Subd. 8. Home Ownership Assistance Fund** 885,000 885,000

18.17 This appropriation is for the home ownership
 18.18 assistance program under Minnesota Statutes,
 18.19 section 462A.21, subdivision 8. The agency
 18.20 shall continue to strengthen its efforts to
 18.21 address the disparity gap in the
 18.22 homeownership rate between white
 18.23 households and indigenous American Indians
 18.24 and communities of color. To better
 18.25 understand and address the disparity gap, the
 18.26 agency is required to collect, on a voluntary
 18.27 basis, demographic information regarding
 18.28 race, color, national origin, and sex of
 18.29 applicants for agency programs intended to
 18.30 benefit homeowners and homebuyers.

18.31 **Subd. 9. Affordable Rental Investment Fund** 4,218,000 4,218,000

18.32 (a) This appropriation is for the affordable
 18.33 rental investment fund program under
 18.34 Minnesota Statutes, section 462A.21,

19.1 subdivision 8b, to finance the acquisition,
19.2 rehabilitation, and debt restructuring of
19.3 federally assisted rental property and for
19.4 making equity take-out loans under Minnesota
19.5 Statutes, section 462A.05, subdivision 39.

19.6 (b) The owner of federally assisted rental
19.7 property must agree to participate in the
19.8 applicable federally assisted housing program
19.9 and to extend any existing low-income
19.10 affordability restrictions on the housing for
19.11 the maximum term permitted. The owner must
19.12 also enter into an agreement that gives local
19.13 units of government, housing and
19.14 redevelopment authorities, and nonprofit
19.15 housing organizations the right of first refusal
19.16 if the rental property is offered for sale.
19.17 Priority must be given among comparable
19.18 federally assisted rental properties to
19.19 properties with the longest remaining term
19.20 under an agreement for federal assistance.
19.21 Priority must also be given among comparable
19.22 rental housing developments to developments
19.23 that are or will be owned by local government
19.24 units, a housing and redevelopment authority,
19.25 or a nonprofit housing organization.

19.26 (c) The appropriation also may be used to
19.27 finance the acquisition, rehabilitation, and debt
19.28 restructuring of existing supportive housing
19.29 properties and naturally occurring affordable
19.30 housing as determined by the commissioner.
19.31 For purposes of this paragraph, "supportive
19.32 housing" means affordable rental housing with
19.33 links to services necessary for individuals,
19.34 youth, and families with children to maintain
19.35 housing stability.

20.1	<u>Subd. 10. Housing Rehabilitation</u>	<u>7,015,000</u>	<u>7,015,000</u>
20.2	<u>This appropriation is for the housing</u>		
20.3	<u>rehabilitation program under Minnesota</u>		
20.4	<u>Statutes, section 462A.05, subdivision 14. Of</u>		
20.5	<u>this amount, \$3,272,000 each year is for the</u>		
20.6	<u>rehabilitation of owner-occupied housing and</u>		
20.7	<u>\$3,743,000 each year is for the rehabilitation</u>		
20.8	<u>of eligible rental housing. In administering a</u>		
20.9	<u>rehabilitation program for rental housing, the</u>		
20.10	<u>agency may apply the processes and priorities</u>		
20.11	<u>adopted for administration of the economic</u>		
20.12	<u>development and housing challenge program</u>		
20.13	<u>under Minnesota Statutes, section 462A.33,</u>		
20.14	<u>and may provide grants or forgivable loans if</u>		
20.15	<u>approved by the agency.</u>		
20.16	<u>Notwithstanding any law to the contrary,</u>		
20.17	<u>grants or loans under this subdivision may be</u>		
20.18	<u>made without rent or income restrictions of</u>		
20.19	<u>owners or tenants. To the extent practicable,</u>		
20.20	<u>grants or loans must be made available</u>		
20.21	<u>statewide.</u>		
20.22	<u>Subd. 11. Homeownership Education,</u>		
20.23	<u>Counseling, and Training</u>	<u>857,000</u>	<u>857,000</u>
20.24	<u>This appropriation is for the homeownership</u>		
20.25	<u>education, counseling, and training program</u>		
20.26	<u>under Minnesota Statutes, section 462A.209.</u>		
20.27	<u>Subd. 12. Capacity-Building Grants</u>	<u>645,000</u>	<u>645,000</u>
20.28	<u>This appropriation is for nonprofit</u>		
20.29	<u>capacity-building grants under Minnesota</u>		
20.30	<u>Statutes, section 462A.21, subdivision 3b.</u>		
20.31	<u>Subd. 13. Homeownership Capacity</u>	<u>1,000,000</u>	<u>1,000,000</u>
20.32	<u>This appropriation is for competitive grants</u>		
20.33	<u>to nonprofit housing organizations, housing</u>		
20.34	<u>and redevelopment authorities, or other</u>		

21.1 political subdivisions to provide intensive
 21.2 financial education and coaching services to
 21.3 individuals or families who have the goal of
 21.4 homeownership. Financial education and
 21.5 coaching services include but are not limited
 21.6 to asset building, development of spending
 21.7 plans, credit report education, repair and
 21.8 rebuilding, consumer protection training, and
 21.9 debt reduction. Priority must be given to
 21.10 organizations that have experience serving
 21.11 underserved populations.

21.12 **Subd. 14. Direct Appropriation** 500,000 500,000

21.13 This appropriation is for a grant to Build
 21.14 Wealth Minnesota to provide a family
 21.15 stabilization plan program including program
 21.16 outreach, financial literacy education, and
 21.17 budget and debt counseling.

21.18 **Subd. 15. Local Housing Trust Fund** 2,000,000 -0-

21.19 \$2,000,000 in fiscal year 2020 is for grants to
 21.20 housing trust funds established under
 21.21 Minnesota Statutes, section 462C.16, or other
 21.22 comparable statutory authority, to incentivize
 21.23 local funding. This is a onetime appropriation.
 21.24 Grants shall be used to provide matching funds
 21.25 of 100 percent of the amount not exceeding
 21.26 \$150,000, and 50 percent of the amount over
 21.27 \$150,000, but not exceeding \$300,000 that a
 21.28 housing trust fund receives from local
 21.29 own-source revenues. For the purpose of this
 21.30 subdivision, "local own-source revenues"
 21.31 means revenue from any source other than the
 21.32 state or federal government. Priority may be
 21.33 given to local governments that are creating
 21.34 a new local housing trust fund.

22.1	Sec. 4. <u>DEPARTMENT OF HUMAN</u>				
22.2	<u>SERVICES</u>			\$	<u>1,000,000</u> \$ <u>1,000,000</u>
22.3	<u>This appropriation is for the homeless</u>				
22.4	<u>management information system.</u>				
22.5	Sec. 5. <u>DEPARTMENT OF LABOR AND</u>				
22.6	<u>INDUSTRY</u>				
22.7	Subdivision 1. <u>Total Appropriation</u>			\$	<u>32,770,000</u> \$ <u>30,620,000</u>
22.8	<u>Appropriations by Fund</u>				
22.9		<u>2020</u>	<u>2021</u>		
22.10	<u>General</u>	<u>4,898,000</u>	<u>5,748,000</u>		
22.11	<u>Workers'</u>				
22.12	<u>Compensation</u>	<u>25,088,000</u>	<u>22,088,000</u>		
22.13	<u>Workforce</u>				
22.14	<u>Development</u>	<u>2,784,000</u>	<u>2,784,000</u>		
22.15	<u>The amounts that may be spent for each</u>				
22.16	<u>purpose are specified in the following</u>				
22.17	<u>subdivisions.</u>				
22.18	Subd. 2. <u>Workers' Compensation</u>				<u>14,882,000</u> <u>11,882,000</u>
22.19	<u>This appropriation is from the workers'</u>				
22.20	<u>compensation fund.</u>				
22.21	<u>\$3,000,000 in fiscal year 2020 is for workers'</u>				
22.22	<u>compensation system upgrades. This amount</u>				
22.23	<u>is available until June 30, 2021. This is a</u>				
22.24	<u>onetime appropriation.</u>				
22.25	<u>This appropriation includes funds for</u>				
22.26	<u>information technology project services and</u>				
22.27	<u>support subject to Minnesota Statutes, section</u>				
22.28	<u>16E.0466. Any ongoing information</u>				
22.29	<u>technology costs must be incorporated into</u>				
22.30	<u>the service level agreement and must be paid</u>				
22.31	<u>to the Office of MN.IT Services by the</u>				
22.32	<u>commissioner of labor and industry under the</u>				
22.33	<u>rates and mechanism specified in that</u>				
22.34	<u>agreement.</u>				
22.35	Subd. 3. <u>Labor Standards and Apprenticeship</u>				<u>5,032,000</u> <u>4,882,000</u>

23.1	<u>Appropriations by Fund</u>		
23.2	<u>General</u>	<u>3,648,000</u>	<u>3,498,000</u>
23.3	<u>Workforce</u>		
23.4	<u>Development</u>	<u>1,384,000</u>	<u>1,384,000</u>
23.5	<u>(a) \$2,350,000 in fiscal year 2020 and</u>		
23.6	<u>\$2,200,000 in fiscal year 2021 are for wage</u>		
23.7	<u>theft prevention. The base for this in fiscal</u>		
23.8	<u>year 2022 is \$2,200,000.</u>		
23.9	<u>(b) \$1,133,000 each year is from the</u>		
23.10	<u>workforce development fund for the</u>		
23.11	<u>apprenticeship program under Minnesota</u>		
23.12	<u>Statutes, chapter 178.</u>		
23.13	<u>(c) \$151,000 each year is from the workforce</u>		
23.14	<u>development fund for prevailing wage</u>		
23.15	<u>enforcement.</u>		
23.16	<u>(d) \$100,000 each year is from the workforce</u>		
23.17	<u>development fund for labor education and</u>		
23.18	<u>advancement program grants under Minnesota</u>		
23.19	<u>Statutes, section 178.11, to expand and</u>		
23.20	<u>promote registered apprenticeship training for</u>		
23.21	<u>minorities and women. The base for fiscal year</u>		
23.22	<u>2022 is \$100,000.</u>		
23.23	<u>Subd. 4. Workplace Safety</u>	<u>4,167,000</u>	<u>4,167,000</u>
23.24	<u>This appropriation is from the workers'</u>		
23.25	<u>compensation fund.</u>		
23.26	<u>Subd. 5. General Support</u>	<u>8,689,000</u>	<u>9,689,000</u>
23.27	<u>Appropriations by Fund</u>		
23.28	<u>General</u>	<u>1,250,000</u>	<u>2,250,000</u>
23.29	<u>Workers'</u>		
23.30	<u>Compensation</u>	<u>6,039,000</u>	<u>6,039,000</u>
23.31	<u>Workforce</u>		
23.32	<u>Development</u>	<u>1,400,000</u>	<u>1,400,000</u>
23.33	<u>(a) \$300,000 each year is from the workforce</u>		
23.34	<u>development fund for the PIPELINE program.</u>		

24.1 (b) \$1,100,000 each year is from the
 24.2 workforce development fund for youth skills
 24.3 training grants under Minnesota Statutes,
 24.4 section 175.46. The commissioner shall award
 24.5 grants not to exceed \$100,000 per local
 24.6 partnership grant. \$100,000 each year is from
 24.7 the workforce development fund for the
 24.8 administration of the grant program.

24.9 (c) \$1,250,000 in fiscal year 2020 and
 24.10 \$2,250,000 in fiscal year 2021 are for system
 24.11 upgrades. The base appropriation is
 24.12 \$1,725,000 in fiscal year 2022 and \$0 in fiscal
 24.13 year 2023. Funds are available until June 30,
 24.14 2023. This appropriation includes funds for
 24.15 information technology project services and
 24.16 support subject to Minnesota Statutes, section
 24.17 16E.0466. Any ongoing information
 24.18 technology costs must be incorporated into
 24.19 the service level agreement and must be paid
 24.20 to the Office of MN.IT Services by the
 24.21 commissioner of labor and industry under the
 24.22 rates and mechanism specified in that
 24.23 agreement.

24.24 **Sec. 6. BUREAU OF MEDIATION SERVICES \$ 2,654,000 \$ 2,654,000**

24.25 (a) \$68,000 each year is for grants to area
 24.26 labor management committees. Grants may
 24.27 be awarded for a 12-month period beginning
 24.28 July 1 each year. Any unencumbered balance
 24.29 remaining at the end of the first year does not
 24.30 cancel but is available for the second year.

24.31 (b) \$394,000 each year is for the Office of
 24.32 Collaboration and Dispute Resolution under
 24.33 Minnesota Statutes, section 179.90. Of this
 24.34 amount, \$160,000 each year is for grants under
 24.35 Minnesota Statutes, section 179.91, and

25.1 \$234,000 each year is for intergovernmental
 25.2 and public policy collaboration and operation
 25.3 of the office.

25.4 (c) \$125,000 each year is for the Public
 25.5 Employment Relations Board under Minnesota
 25.6 Statutes, section 179A.041.

25.7 **Sec. 7. WORKERS' COMPENSATION COURT**
 25.8 **OF APPEALS** \$ 2,222,000 \$ 2,283,000

25.9 This appropriation is from the workers'
 25.10 compensation fund.

25.11 **Sec. 8. DEPARTMENT OF COMMERCE**

25.12 **Subdivision 1. Total Appropriation** \$ 42,134,000 \$ 41,131,000

25.13 Appropriations by Fund

	<u>2020</u>	<u>2021</u>
25.14 <u>General</u>	<u>28,110,000</u>	<u>27,106,000</u>
25.15 <u>Special Revenue</u>	<u>1,610,000</u>	<u>1,610,000</u>
25.16 <u>Petroleum Tank</u>	<u>1,056,000</u>	<u>1,056,000</u>
25.17 <u>Workers'</u>		
25.18 <u>Compensation</u>	<u>758,000</u>	<u>759,000</u>
25.19 <u>Renewable</u>		
25.20 <u>Development</u>	<u>10,600,000</u>	<u>10,600,000</u>

25.21 The amounts that may be spent for each
 25.22 purpose are specified in the following
 25.23 subdivisions.

25.24 **Subd. 2. Financial Institutions** 831,000 836,000

25.25 \$400,000 each year is for grants to Prepare
 25.26 and Prosper for purposes of developing,
 25.27 marketing, evaluating, and distributing a
 25.28 financial services inclusion program that will
 25.29 assist low-income and financially underserved
 25.30 populations to build savings, strengthen credit,
 25.31 and provide services to assist them in being
 25.32 more financially stable and secure. Grants in
 25.33 fiscal year 2020 must be matched by nonstate
 25.34

26.1 contributions. Money remaining after the first
 26.2 year is available for the second year.

26.3 **Subd. 3. Petroleum Tank Release Compensation**
 26.4 **Board**

1,056,000

1,056,000

26.5 This appropriation is from the petroleum tank
 26.6 fund.

26.7 To account for base adjustments provided in
 26.8 Minnesota Statutes, section 115C.13, the base
 26.9 for the petroleum tank release cleanup fund
 26.10 in fiscal year 2023 is \$0.

26.11 **Subd. 4. Administrative Services**

10,170,000

8,955,000

26.12 (a) \$475,000 in fiscal year 2020 and \$350,000
 26.13 in fiscal year 2021 are from the general fund
 26.14 for system modernization and cybersecurity
 26.15 upgrades for the unclaimed property program.
 26.16 The base in fiscal year 2022 is \$350,000.

26.17 (b) \$368,000 in fiscal year 2020 and \$702,000
 26.18 in fiscal year 2021 are for additional
 26.19 operations of the unclaimed property program.
 26.20 The base in fiscal year 2022 is \$702,000.

26.21 (c) \$100,000 each year is for the support of
 26.22 broadband development.

26.23 (d) To account for base adjustments provided
 26.24 in Laws 2018, chapter 211, section 1,
 26.25 paragraph (a), the base is increased by \$1,000
 26.26 in fiscal year 2022.

26.27 **Subd. 5. Telecommunications**

26.28 Appropriations by Fund

26.29 General 1,037,000 1,047,000

26.30 Special Revenue 1,610,000 1,610,000

26.31 \$1,610,000 each year is from the
 26.32 telecommunication access fund for the

27.1 following transfers. These amounts are added
 27.2 to the base for this purpose.

27.3 (1) \$1,170,000 each year is to the
 27.4 commissioner of human services to
 27.5 supplement the ongoing operational expenses
 27.6 of the Commission of the Deaf, DeafBlind and
 27.7 Hard of Hearing;

27.8 (2) \$290,000 each year is to the chief
 27.9 information officer for the purpose of
 27.10 coordinating technology accessibility and
 27.11 usability;

27.12 (3) \$100,000 each year is to the Legislative
 27.13 Coordinating Commission for captioning of
 27.14 legislative coverage; and

27.15 (4) \$50,000 each year is to the Office of
 27.16 MN.IT Services for a consolidated access fund
 27.17 to provide grants to other state agencies related
 27.18 to accessibility of their web-based services.

27.19 **Subd. 6. Enforcement** 6,417,000 6,507,000

27.20 Appropriations by Fund

27.21 General 6,217,000 6,307,000

27.22 Workers'
 27.23 Compensation 200,000 200,000

27.24 (a) \$250,000 in fiscal year 2020 and \$250,000
 27.25 in fiscal year 2021 are to create and execute a
 27.26 statewide education and outreach campaign
 27.27 to protect seniors age 60 years or older,
 27.28 vulnerable adults as defined in Minnesota
 27.29 Statutes, section 626.5572, subdivision 21,
 27.30 and their caregivers from financial fraud and
 27.31 exploitation. The education and outreach
 27.32 campaign must be statewide and at a minimum
 27.33 must include the dissemination of information
 27.34 through television, print, or other media;

28.1 training and outreach to senior living facilities;
 28.2 and the creation of a senior fraud toolkit.

28.3 (b) The revenue transferred in Minnesota
 28.4 Statutes, section 297I.11, subdivision 2, to the
 28.5 insurance fraud prevention account must be
 28.6 used in part for compensation for two new
 28.7 employees in the Commerce Fraud Bureau to
 28.8 perform analytical duties. The new employees
 28.9 must not be peace officers.

28.10 **Subd. 7. Energy Resources** 15,430,000 15,480,000

28.11 Appropriations by Fund

28.12 General 4,830,000 4,880,000

28.13 Renewable
 28.14 Development 10,600,000 10,600,000

28.15 (a) \$150,000 each year is to remediate
 28.16 vermiculate insulation from households that
 28.17 are eligible for weatherization assistance under
 28.18 Minnesota's weatherization assistance program
 28.19 state plan under Minnesota Statutes, section
 28.20 216C.264. Remediation must be done in
 28.21 conjunction with federal weatherization
 28.22 assistance program services.

28.23 (b) \$832,000 each year is for energy regulation
 28.24 and planning unit staff.

28.25 (c) \$100,000 each year is from the renewable
 28.26 development account in the special revenue
 28.27 fund established in Minnesota Statutes, section
 28.28 116C.779, subdivision 1, to administer the
 28.29 Made in Minnesota solar energy production
 28.30 incentive program in Minnesota Statutes,
 28.31 section 216C.417. Any remaining unspent
 28.32 funds cancel back to the renewable
 28.33 development account at the end of the
 28.34 biennium.

29.1 (d) \$10,000,000 each year is from the
 29.2 renewable development account in the special
 29.3 revenue fund for a solar on schools program
 29.4 of which \$500,000 per year can be spent on
 29.5 administration. The amount is available until
 29.6 June 30, 2023. This is a onetime appropriation.

29.7 \$500,000 each year is from the renewable
 29.8 development account in the special revenue
 29.9 fund established in Minnesota Statutes, section
 29.10 116C.779, subdivision 1, for costs associated
 29.11 with any third-party expert evaluation of a
 29.12 proposal submitted in response to a request
 29.13 for proposal to the renewable development
 29.14 advisory group under Minnesota Statutes,
 29.15 section 116C.779, subdivision 1, paragraph
 29.16 (l). No portion of this appropriation may be
 29.17 expended or retained by the commissioner of
 29.18 commerce. Any funds appropriated under this
 29.19 paragraph that are unexpended at the end of a
 29.20 fiscal year cancel to the renewable
 29.21 development account.

29.22 **Subd. 8. Insurance** 5,583,000 5,640,000

29.23	<u>Appropriations by Fund</u>		
29.24	<u>General</u>	<u>5,025,000</u>	<u>5,081,000</u>
29.25	<u>Workers'</u>		
29.26	<u>Compensation</u>	<u>558,000</u>	<u>559,000</u>

29.27 To account for the base adjustments provided
 29.28 in Laws 2018, chapter 211, article 21, section
 29.29 1, paragraph (a), the base in the workers'
 29.30 compensation fund is increased by \$2,000 in
 29.31 fiscal year 2022.

29.32 **Sec. 9. PUBLIC UTILITIES COMMISSION** \$ 8,018,000 \$ 7,493,000

30.1 **ARTICLE 2**30.2 **MINNESOTA INNOVATION COLLABORATIVE**30.3 Section 1. **MINNESOTA INNOVATION COLLABORATIVE.**

30.4 Subdivision 1. Establishment. The Minnesota Innovation Collaborative is established
30.5 within the Business and Community Development Division of the Department of
30.6 Employment and Economic Development to encourage and support the development of
30.7 new private sector technologies and support the science and technology policies under
30.8 Minnesota Statutes, section 3.222. The Minnesota Innovation Collaborative must provide
30.9 entrepreneurs and emerging technology-based companies business development assistance
30.10 and financial assistance to spur growth.

30.11 Subd. 2. Definitions. (a) For purposes of this section, the terms defined in this subdivision
30.12 have the meanings given.

30.13 (b) "Advisory board" means the board established under subdivision 11.

30.14 (c) "Commissioner" means the commissioner of employment and economic development.

30.15 (d) "Department" means the Department of Employment and Economic Development.

30.16 (e) "Entrepreneur" means a Minnesota resident who is involved in establishing a business
30.17 entity and secures resources directed to its growth while bearing the risk of loss.

30.18 (f) "Greater Minnesota" means the area of Minnesota located outside of the metropolitan
30.19 area as defined in section 473.121, subdivision 2.

30.20 (g) "High technology" includes aerospace, agricultural processing, renewable energy,
30.21 energy efficiency and conservation, environmental engineering, food technology, cellulosic
30.22 ethanol, information technology, materials science technology, nanotechnology,
30.23 telecommunications, biotechnology, medical device products, pharmaceuticals, diagnostics,
30.24 biologicals, chemistry, veterinary science, and similar fields.

30.25 (h) "Institution of higher education" has the meaning given in Minnesota Statutes, section
30.26 136A.28, subdivision 6.

30.27 (i) "Minority group member" means a United States citizen who is Asian, Pacific Islander,
30.28 Black, Hispanic, or Native American.

30.29 (j) "Minority-owned business" means a business for which one or more minority group
30.30 members:

30.31 (1) own at least 50 percent of the business or, in the case of a publicly owned business,
30.32 own at least 51 percent of the stock; and

31.1 (2) manage the business and control the daily business operations.

31.2 (k) "Research and development" means any activity that is:

31.3 (1) a systematic, intensive study directed toward greater knowledge or understanding
31.4 of the subject studies;

31.5 (2) a systematic study directed specifically toward applying new knowledge to meet a
31.6 recognized need; or

31.7 (3) a systematic application of knowledge toward the production of useful materials,
31.8 devices, systems and methods, including design, development and improvement of prototypes
31.9 and new processes to meet specific requirements.

31.10 (l) "Start-up" means a business entity that has been in operation for less than ten years,
31.11 has operations in Minnesota, and is in the development stage defined as devoting substantially
31.12 all of its efforts to establishing a new business and either of the following conditions exists:

31.13 (1) planned principal operations have not commenced; or

31.14 (2) planned principal operations have commenced, but have generated less than
31.15 \$1,000,000 in revenue.

31.16 (m) "Technology-related assistance" means the application and utilization of
31.17 technological-information and technologies to assist in the development and production of
31.18 new technology-related products or services or to increase the productivity or otherwise
31.19 enhance the production or delivery of existing products or services.

31.20 (n) "Trade association" means a nonprofit membership organization organized to promote
31.21 businesses and business conditions and having an election under Internal Revenue Code
31.22 section 501(c)(3) or 501(c)(6).

31.23 (o) "Women" means persons of the female gender.

31.24 (p) "Women-owned business" means a business for which one or more women:

31.25 (1) own at least 50 percent of the business or, in the case of a publicly owned business,
31.26 own at least 51 percent of the stock; and

31.27 (2) manage the business and control the daily business operations.

31.28 Subd. 3. **Duties.** The Minnesota Innovation Collaborative shall:

31.29 (1) support innovation and initiatives designed to accelerate the growth of high-technology
31.30 start-ups in Minnesota;

32.1 (2) offer classes and instructional sessions on how to start a high-tech and innovative
32.2 start-up;

32.3 (3) promote activities for entrepreneurs and investors regarding the state's growing
32.4 innovation economy;

32.5 (4) hold events and meetings that gather key stakeholders in the state's innovation sector;

32.6 (5) conduct outreach and education on innovation activities and related financial programs
32.7 available from the department and other organizations, particularly for underserved
32.8 communities;

32.9 (6) interact and collaborate with statewide partners including but not limited to businesses,
32.10 nonprofits, trade associations, and higher education institutions;

32.11 (7) administer an advisory board to assist with direction, grant application review,
32.12 program evaluation, report development, and partnerships;

32.13 (8) commission research in partnership with the University of Minnesota and Minnesota
32.14 State Colleges and Universities to study innovation and its impacts on the state's economy
32.15 with emphasis on the state's labor market;

32.16 (9) accept grant applications under subdivisions 5 and 6 and work with the advisory
32.17 board to evaluate the applications and provide funding recommendations to the commissioner;
32.18 and

32.19 (10) perform other duties at the commissioner's discretion.

32.20 Subd. 4. **Administration.** (a) The department shall employ an executive director in the
32.21 unclassified service. The executive director shall:

32.22 (1) hire no more than two staff;

32.23 (2) assist the commissioner and the advisory board in performing the duties of the
32.24 Minnesota Innovation Collaborative; and

32.25 (3) comply with all state and federal program requirements, and all state and federal
32.26 securities and tax laws and regulations.

32.27 (b) To the extent possible, the space that the Minnesota Innovation Collaborative shall
32.28 occupy and lease must be a private coworking facility that includes office space for staff
32.29 and space for community engagement for training entrepreneurs. The space leased under
32.30 this paragraph is exempt from the requirements in Minnesota Statutes, section 16B.24,
32.31 subdivision 6.

33.1 (c) Except for grants under subdivision 7, the Minnesota Innovation Collaborative must
33.2 accept grant applications under this section and provide funding recommendations to the
33.3 commissioner, who shall distribute grants based in part on the recommendations.

33.4 Subd. 5. **Application process.** (a) The commissioner shall establish the application form
33.5 and procedures for innovation grants.

33.6 (b) Upon receiving recommendations from the Minnesota Innovation Collaborative
33.7 under subdivision 4, paragraph (c), the department is responsible for evaluating all
33.8 applications using evaluation criteria developed by the Minnesota Innovation Collaborative,
33.9 the advisory board, and the commissioner. Priority shall be given if the applicant is:

33.10 (1) a business or entrepreneur located in greater Minnesota; or

33.11 (2) a business owner or entrepreneur who is a woman or minority group member.

33.12 (c) The department staff, and not the Minnesota Innovation Collaborative staff, is
33.13 responsible for awarding funding, disbursing funds, and monitoring grantee performance
33.14 for all grants awarded under this section.

33.15 (d) Grantees must provide matching funds by equal expenditures and grant payments
33.16 must be provided on a reimbursement basis after review of submitted receipts by the
33.17 department.

33.18 (e) Grant applications must be accepted on a regular periodic basis by the Minnesota
33.19 Innovation Collaborative and must be reviewed by the collaborative and the advisory board
33.20 before being submitted to the commissioner with their recommendations.

33.21 Subd. 6. **Innovation grants.** (a) The commissioner shall distribute innovation grants
33.22 under this subdivision.

33.23 (b) The commissioner shall provide a grant of up to \$50,000 to an eligible business or
33.24 entrepreneur for research and development expenses. Research and development expenditures
33.25 may be related but not limited to proof of concept activities, intellectual property protection,
33.26 prototype designs and production, and commercial feasibility. Expenditures funded under
33.27 this subdivision are not eligible for the research and development tax credit under Minnesota
33.28 Statutes, section 290.068. Each business or entrepreneur may receive only one grant under
33.29 this paragraph.

33.30 (c) The commissioner shall provide a grant of up to \$25,000 to an eligible start-up or
33.31 entrepreneur for direct business expenses including but not limited to rent, equipment
33.32 purchases, supplier invoices, and staffing. Taxes imposed by the federal, state, or local

34.1 government entities may be not be reimbursed under this paragraph. Each start-up or
34.2 entrepreneur may receive only one grant under this paragraph.

34.3 (d) The commissioner shall provide a grant of up to \$7,500 to reimburse an entrepreneur
34.4 for health care, housing, or child care expenses for the entrepreneur, spouse, or children 26
34.5 years of age or younger. Each entrepreneur may receive only one grant under this paragraph.

34.6 (e) The commissioner shall provide a grant of up to \$50,000 to an eligible business or
34.7 entrepreneur that, as a registered client of the Small Business Innovation Research (SBIR)
34.8 program, has been awarded a Phase 2 award pursuant to the SBIR or Small Business
34.9 Technology Transfer (STTR) programs after July 1, 2019. Each business or entrepreneur
34.10 may receive only one grant under this paragraph. Grants under this paragraph are not subject
34.11 to the requirements of subdivision 2, paragraph (l), and are awarded without the review or
34.12 recommendation of the Minnesota Innovation Collaborative.

34.13 (f) The commissioner shall provide a grant of up to \$25,000 to provide financing to
34.14 start-ups to purchase technical assistance and services from public higher education
34.15 institutions and nonprofit entities to assist in the development or commercialization of
34.16 innovative new products or services.

34.17 Subd. 7. **Entrepreneur education grants.** (a) The commissioner shall make entrepreneur
34.18 education grants to institutions of higher education and other organizations to provide
34.19 educational programming to entrepreneurs and provide outreach to and collaboration with
34.20 businesses, federal and state agencies, institutions of higher education, trade associations,
34.21 and other organizations working to advance innovative, high technology businesses
34.22 throughout Minnesota.

34.23 (b) Applications for entrepreneur education grants under this subdivision must be
34.24 submitted to the commissioner and evaluated by department staff other than the Minnesota
34.25 Innovation Collaborative. The evaluation criteria must be developed by the Minnesota
34.26 Innovation Collaborative, the advisory board, and the commissioner with priority given to
34.27 an applicant who demonstrates activity assisting businesses or entrepreneurs residing in
34.28 greater Minnesota or who are women or minority group members.

34.29 (c) Department staff other than the Minnesota Innovation Collaborative staff is responsible
34.30 for awarding funding, disbursing funds, and monitoring grantee performance under this
34.31 subdivision.

34.32 (d) Grantees may use the grant funds to deliver the following services:

35.1 (1) development and delivery to high technology businesses of industry specific or
35.2 innovative product or process specific counseling on issues of business formation, market
35.3 structure, market research and strategies, securing first mover advantage or overcoming
35.4 barriers to entry, protecting intellectual property, and securing debt or equity capital. This
35.5 counseling is to be delivered in a classroom setting or using distance media presentations;

35.6 (2) outreach and education to businesses and organizations on the small business
35.7 investment tax credit program under Minnesota Statutes, section 116J.8737, the MNvest
35.8 crowd-funding program under Minnesota Statutes, section 80A.461, and other state programs
35.9 that support high technology business creation especially in underserved communities;

35.10 (3) collaboration with institutions of higher education, local organizations, federal and
35.11 state agencies, the Small Business Development Center, and the Small Business Assistance
35.12 Office to create and offer educational programming and ongoing counseling in greater
35.13 Minnesota that is consistent with those services offered in the metropolitan area; and

35.14 (4) events and meetings with other innovation-related organizations to inform
35.15 entrepreneurs and potential investors about Minnesota's growing information economy.

35.16 Subd. 8. **Report.** The Minnesota Innovation Collaborative shall report by February 1,
35.17 2020, and again on February 1, 2021, to the chairs and ranking minority members of the
35.18 committees of the house of representatives and senate having jurisdiction over economic
35.19 development policy and finance issues on the work completed, including awards made by
35.20 the department under this section.

35.21 Subd. 9. **Advisory board.** (a) The commissioner shall establish an advisory board to
35.22 advise the executive director regarding the activities of the Minnesota Innovation
35.23 Collaborative and to perform the recommendations described in this section.

35.24 (b) The advisory board shall consist of ten members and is governed by Minnesota
35.25 Statutes, section 15.059. A minimum of six members must be from the private sector
35.26 representing business and at least two members but no more than four members from
35.27 government and higher education. Appointees shall represent a range of interests, including
35.28 entrepreneurs, large businesses, industry organizations, investors, and both public and private
35.29 small business service providers.

35.30 (c) The advisory board shall select a chair from its private sector members. The executive
35.31 director shall provide administrative support to the committee.

36.1 **ARTICLE 3**

36.2 **OSHA**

36.3 Section 1. Minnesota Statutes 2018, section 182.659, subdivision 8, is amended to read:

36.4 Subd. 8. **Protection from subpoena; data.** Neither the commissioner nor any employee
 36.5 of the department, ~~including those employees of the Department of Health providing services~~
 36.6 ~~to the Department of Labor and Industry, pursuant to section 182.67, subdivision 1,~~ is subject
 36.7 to subpoena for purposes of inquiry into any occupational safety and health inspection
 36.8 except in enforcement proceedings brought under this chapter. Data that identify individuals
 36.9 who provide data to the department as part of an investigation conducted under this chapter
 36.10 shall be private.

36.11 Sec. 2. Minnesota Statutes 2018, section 182.666, subdivision 1, is amended to read:

36.12 Subdivision 1. **Willful or repeated violations.** Any employer who willfully or repeatedly
 36.13 violates the requirements of section 182.653, or any standard, rule, or order adopted under
 36.14 the authority of the commissioner as provided in this chapter, may be assessed a fine not to
 36.15 exceed ~~\$70,000~~ \$129,335 for each violation. The minimum fine for a willful violation is
 36.16 ~~\$5,000~~ \$9,240.

36.17 **EFFECTIVE DATE.** This section is effective July 1, 2019.

36.18 Sec. 3. Minnesota Statutes 2018, section 182.666, subdivision 2, is amended to read:

36.19 Subd. 2. **Serious violations.** Any employer who has received a citation for a serious
 36.20 violation of its duties under section 182.653, or any standard, rule, or order adopted under
 36.21 the authority of the commissioner as provided in this chapter, shall be assessed a fine not
 36.22 to exceed ~~\$7,000~~ \$12,935 for each violation. If a serious violation under section 182.653,
 36.23 subdivision 2, causes or contributes to the death of an employee, the employer shall be
 36.24 assessed a fine of up to \$25,000 for each violation.

36.25 **EFFECTIVE DATE.** This section is effective July 1, 2019.

36.26 Sec. 4. Minnesota Statutes 2018, section 182.666, subdivision 3, is amended to read:

36.27 Subd. 3. **Nonserious violations.** Any employer who has received a citation for a violation
 36.28 of its duties under section 182.653, subdivisions 2 to 4, where the violation is specifically
 36.29 determined not to be of a serious nature as provided in section 182.651, subdivision 12,
 36.30 may be assessed a fine of up to ~~\$7,000~~ \$12,935 for each violation.

36.31 **EFFECTIVE DATE.** This section is effective July 1, 2019.

37.1 Sec. 5. Minnesota Statutes 2018, section 182.666, subdivision 4, is amended to read:

37.2 Subd. 4. **Failure to correct a violation.** Any employer who fails to correct a violation
37.3 for which a citation has been issued under section 182.66 within the period permitted for
37.4 its correction, which period shall not begin to run until the date of the final order of the
37.5 commissioner in the case of any review proceedings under this chapter initiated by the
37.6 employer in good faith and not solely for delay or avoidance of penalties, may be assessed
37.7 a fine of not more than ~~\$7,000~~ \$12,935 for each day during which the failure or violation
37.8 continues.

37.9 **EFFECTIVE DATE.** This section is effective July 1, 2019.

37.10 Sec. 6. Minnesota Statutes 2018, section 182.666, subdivision 5, is amended to read:

37.11 Subd. 5. **Posting violations.** Any employer who violates any of the posting requirements,
37.12 as prescribed under this chapter, except those prescribed under section 182.661, subdivision
37.13 3a, shall be assessed a fine of up to ~~\$7,000~~ \$12,935 for each violation.

37.14 **EFFECTIVE DATE.** This section is effective July 1, 2019.

37.15 Sec. 7. Minnesota Statutes 2018, section 182.666, is amended by adding a subdivision to
37.16 read:

37.17 Subd. 6a. **Increases for inflation.** (a) No later than August 31 of each year, beginning
37.18 in 2019, the commissioner shall determine the percentage increase in the rate of inflation,
37.19 as measured by the implicit price deflator, national data for personal consumption
37.20 expenditures as determined by the United States Department of Commerce, Bureau of
37.21 Economic Analysis during the 12-month period immediately preceding that August or, if
37.22 that data is unavailable, during the most recent 12-month period for which data is available.
37.23 The fines in subdivisions 1, 2, 3, 4, and 5, except for the fine for a serious violation under
37.24 section 182.653, subdivision 2, that causes or contributes to the death of an employee, are
37.25 increased by the lesser of (1) 2.5 percent, rounded to the nearest dollar amount evenly
37.26 divisible by ten, or (2) the percentage calculated by the commissioner, rounded to the nearest
37.27 dollar amount evenly divisible by ten.

37.28 (b) The fines increased under paragraph (a) shall not be increased to an amount greater
37.29 than the corresponding federal penalties for the specified violations promulgated in United
37.30 States Code, title 29, section, 666, subsections (a)-(d), (i), as amended through November
37.31 5, 1990, and adjusted according to United States Code, title 28, section 2461, note (Federal
37.32 Civil Penalties Inflation Adjustment), as amended through November 2, 2015.

38.1 (c) A fine must not be reduced under this subdivision. A fine increased under this
38.2 subdivision takes effect on the next January 1.

38.3 **EFFECTIVE DATE.** This section is effective July 1, 2019.

38.4

ARTICLE 4

38.5

CONSTRUCTION CODES

38.6 Section 1. Minnesota Statutes 2018, section 326B.802, subdivision 15, is amended to read:

38.7 Subd. 15. **Special skill.** "Special skill" means one of the following eight categories:

38.8 (a) **Excavation.** Excavation includes work in any of the following areas:

38.9 (1) excavation;

38.10 (2) trenching;

38.11 (3) grading; and

38.12 (4) site grading.

38.13 (b) **Masonry and concrete.** Masonry and concrete includes work in any of the following
38.14 areas:

38.15 (1) drain systems;

38.16 (2) poured walls;

38.17 (3) slabs and poured-in-place footings;

38.18 (4) masonry walls;

38.19 (5) masonry fireplaces;

38.20 (6) masonry veneer; and

38.21 (7) water resistance and waterproofing.

38.22 (c) **Carpentry.** Carpentry includes work in any of the following areas:

38.23 (1) rough framing;

38.24 (2) finish carpentry;

38.25 (3) doors, windows, and skylights;

38.26 (4) porches and decks, excluding footings;

38.27 (5) wood foundations; and

- 39.1 (6) drywall installation, excluding taping and finishing.
- 39.2 (d) **Interior finishing.** Interior finishing includes work in any of the following areas:
- 39.3 (1) floor covering;
- 39.4 (2) wood floors;
- 39.5 (3) cabinet and counter top installation;
- 39.6 (4) insulation and vapor barriers;
- 39.7 (5) interior or exterior painting;
- 39.8 (6) ceramic, marble, and quarry tile;
- 39.9 (7) ornamental guardrail and installation of prefabricated stairs; and
- 39.10 (8) wallpapering.
- 39.11 (e) **Exterior finishing.** Exterior finishing includes work in any of the following areas:
- 39.12 (1) siding;
- 39.13 (2) soffit, fascia, and trim;
- 39.14 (3) exterior plaster and stucco;
- 39.15 (4) painting; and
- 39.16 (5) rain carrying systems, including gutters and down spouts.
- 39.17 (f) **Drywall and plaster.** Drywall and plaster includes work in any of the following
- 39.18 areas:
- 39.19 (1) installation;
- 39.20 (2) taping;
- 39.21 (3) finishing;
- 39.22 (4) interior plaster;
- 39.23 (5) painting; and
- 39.24 (6) wallpapering.
- 39.25 (g) **Residential roofing.** Residential roofing includes work in any of the following areas:
- 39.26 (1) roof coverings;
- 39.27 (2) roof sheathing;

- 40.1 (3) roof weatherproofing and insulation; ~~and~~
- 40.2 (4) repair of roof support system, but not construction of new roof support system; and
- 40.3 (5) penetration of roof covering for purposes of attaching a solar photovoltaic system.
- 40.4 (h) **General installation specialties.** Installation includes work in any of the following
- 40.5 areas:
- 40.6 (1) garage doors and openers;
- 40.7 (2) pools, spas, and hot tubs;
- 40.8 (3) fireplaces and wood stoves;
- 40.9 (4) asphalt paving and seal coating; ~~and~~
- 40.10 (5) ornamental guardrail and prefabricated stairs; and
- 40.11 (6) assembly of the support system for a solar photovoltaic system.

ARTICLE 5

COMBATIVE SPORTS

40.14 Section 1. Minnesota Statutes 2018, section 341.30, subdivision 1, is amended to read:

40.15 Subdivision 1. **Licensure; individuals.** All referees, judges, promoters, trainers, ~~ring~~

40.16 ~~announcers~~, timekeepers, ringside physicians, combatants, ~~managers~~, and seconds are

40.17 required to be licensed by the commissioner. The commissioner shall not permit any of

40.18 these persons to participate in any matter with any combative sport contest unless the

40.19 commissioner has first issued the person a license.

40.20 Sec. 2. Minnesota Statutes 2018, section 341.32, subdivision 1, is amended to read:

40.21 Subdivision 1. **Annual licensure.** The commissioner may establish and issue annual

40.22 licenses subject to the collection of advance fees by the commissioner for promoters,

40.23 ~~managers~~, judges, referees, ~~ring announcers~~, ringside physicians, timekeepers, combatants,

40.24 trainers, and seconds.

40.25 Sec. 3. Minnesota Statutes 2018, section 341.321, is amended to read:

341.321 FEE SCHEDULE.

40.27 (a) The fee schedule for professional and amateur licenses issued by the commissioner

40.28 is as follows:

- 40.29 (1) referees, ~~\$80~~ \$25;

41.1 (2) promoters, \$700;

41.2 (3) judges and knockdown judges, ~~\$80~~ \$25;

41.3 (4) trainers and seconds, \$80;

41.4 ~~(5) ring announcers, \$80;~~

41.5 ~~(6)~~ (5) timekeepers, ~~\$80~~ \$25;

41.6 ~~(7)~~ (6) professional combatants, \$70;

41.7 ~~(8)~~ (7) amateur combatants, \$50;

41.8 ~~(9) managers, \$80;~~ and

41.9 ~~(10)~~ (8) ringside physicians, ~~\$80~~ \$25.

41.10 License fees for promoters are due at least six weeks prior to the combative sport contest.

41.11 All other license fees shall be paid no later than the weigh-in prior to the contest. No license
41.12 may be issued until all prelicensure requirements are satisfied and fees are paid.

41.13 (b) The commissioner shall establish a contest fee for each combative sport contest and
41.14 shall consider the size and type of venue when establishing a contest fee. The combative
41.15 sport contest fee is \$1,500 per event or not more than four percent of the gross ticket sales,
41.16 whichever is greater, as determined by the commissioner when the combative sport contest
41.17 is scheduled.

41.18 (c) A professional or amateur combative sport contest fee is nonrefundable and shall be
41.19 paid as follows:

41.20 (1) \$500 at the time the combative sport contest is scheduled; and

41.21 (2) \$1,000 at the weigh-in prior to the contest.

41.22 If four percent of the gross ticket sales is greater than \$1,500, the balance is due to the
41.23 commissioner within seven days of the completed contest.

41.24 (d) The commissioner may establish the maximum number of complimentary tickets
41.25 allowed for each event by rule.

41.26 (e) All fees and penalties collected by the commissioner must be deposited in the
41.27 commissioner account in the special revenue fund.

ARTICLE 6

COMMUNITY PROSPERITY GRANTS

Section 1. COMMUNITY PROSPERITY FUND GRANT PROGRAM.

Subdivision 1. Establishment; purpose. The community prosperity fund grant program is established to provide grants to public or 501(c)(3) nonprofit entities to implement innovative economic development projects that will support economic growth in their community.

Subd. 2. Definitions. For the purposes of this section, the following terms have the meanings given them:

(1) "economic development" means activities, services, investments, and infrastructure that support the economic success of individuals, businesses, and communities by facilitating an economic environment that produces net new jobs;

(2) "innovative project" means the provision of a public service or good that was absent in the community or of insufficient quantity or quality;

(3) "local governmental unit" means a county, city, town, special district, public higher education institution, or other political subdivision or public corporation; and

(4) "community" means any geographic area defined by one or more census tracts.

Subd. 3. Community prosperity fund grants. The commissioner of employment and economic development shall:

(1) develop and implement a community prosperity fund grant program that will provide matching grants up to 85 percent of total project cost up to \$100,000 to implement innovative economic development projects that will induce economic growth in their community;

(2) develop a request for proposals;

(3) review responses to requests for proposals and award grants under this section;

(4) establish a transparent and objective accountability process focused on outcomes that grantees agree to achieve; and

(5) maintain data on outcomes reported by grantees.

Subd. 4. Eligible grantees. Organizations eligible to receive grant funding under this section include:

(1) local government units; and

43.1 (2) nonprofit 501(c)(3) organizations that have established partnerships with one or more
 43.2 local government units to implement economic development projects or activities.

43.3 Subd. 5. **Priority of proposals; grant awards.** The commissioner shall prioritize the
 43.4 award of grants to proposals that demonstrate that the project:

43.5 (1) will serve communities with a population of 5,000 or less;

43.6 (2) will support the economic success of individuals, businesses, and communities by
 43.7 facilitating an economic environment that produces net new jobs;

43.8 (3) will provide public services or goods that was absent in the community or of
 43.9 insufficient quantity or quality;

43.10 (4) serves a defined geographic area; racial, ethnic, or minority community; or American
 43.11 Indian community experiencing any the following: below state average wages, above state
 43.12 average unemployment rate, or below state average labor force participation rate;

43.13 (5) will be sustainable or continue to have impact beyond the one-time funding from
 43.14 this program;

43.15 (6) will be successfully implemented based on the qualifications of the lead organization;
 43.16 and

43.17 (7) will serve two or more local government units.

43.18 Subd. 6. **Geographic distribution of grants.** The commissioner shall ensure that a
 43.19 minimum of 50 percent of grant funds are awarded to communities outside the seven-county
 43.20 metropolitan area.

43.21 Subd. 7. **Report.** Grantees must report grant program outcomes to the commissioner on
 43.22 the forms and according to the timelines established by the commissioner.

43.23 **ARTICLE 7**

43.24 **CHILD CARE ECONOMIC GRANT PROGRAM**

43.25 Section 1. **CHILD CARE ECONOMIC DEVELOPMENT GRANT PROGRAM.**

43.26 Subdivision 1. **Establishment.** A grant program is established under the Department of
 43.27 Employment and Economic Development to award grants to eligible local communities to
 43.28 increase the availability of child care in order to reduce the child care shortage in the
 43.29 community, and support increased workforce participation, business expansion and retention,
 43.30 and new business location.

44.1 Subd. 2. **Definitions.** For the purposes of this section, the following terms have the
44.2 meanings given them:

44.3 (1) "commissioner" means the commissioner of employment and economic development;

44.4 (2) "child care" has the meaning given in section 119B.011;

44.5 (3) "political subdivision" means a county, statutory or home rule charter city, or school
44.6 district; and

44.7 (4) "Indian tribe" means one of the federally recognized Minnesota tribes listed in section
44.8 3.922, subdivision 1, clause (1).

44.9 Subd. 3. **Eligible expenditures.** The commissioner may make grants under this section
44.10 to implement solutions to reduce the child care shortage in the state including but not limited
44.11 to funding for child care business start-ups or expansions, training, facility modifications
44.12 or improvements required for licensing, and assistance with licensing and other regulatory
44.13 requirements.

44.14 Subd. 4. **Eligible applicants.** Eligible applicants for grants awarded under this section
44.15 include:

44.16 (1) a political subdivision;

44.17 (2) an Indian tribe;

44.18 (3) a Minnesota nonprofit organization organized under chapter 317 having experience
44.19 in one or more of the following: the operation of, planning for, financing of, advocacy for,
44.20 or advancement of the delivery of child care services in a defined service area spanning the
44.21 boundaries of one or more political subdivisions.

44.22 Subd. 5. **Application process.** (a) An eligible applicant must submit an application to
44.23 the commissioner on a form prescribed by the commissioner. The commissioner shall
44.24 develop procedures governing the application and grant award process. The commissioner
44.25 shall act as fiscal agent for the grant program and shall be responsible for receiving and
44.26 reviewing grant applications and awarding grants under this section.

44.27 (b) At least 30 days prior to the first day applications may be submitted each fiscal year,
44.28 the commissioner must publish on the department's website the specific criteria and any
44.29 quantitative weighting scheme or scoring system the commissioner will use to evaluate or
44.30 rank applications and award grants under subdivision 6.

44.31 Subd. 6. **Application contents.** An applicant for a grant under this section shall provide
44.32 the following information on the application:

- 45.1 (1) the service area of the project;
- 45.2 (2) the project budget;
- 45.3 (3) evidence of the child care shortage in the community in which the project is to be
- 45.4 located;
- 45.5 (4) the number of licensed child care slots that will be created as a result of the project;
- 45.6 (5) the number of families with children under age six that will have access to child care
- 45.7 as a result of the project;
- 45.8 (6) community employers and businesses that will benefit from the proposed project;
- 45.9 (7) evidence of community support for the project;
- 45.10 (8) the total cost of the project;
- 45.11 (9) sources of funding or in-kind contributions for the project that will supplement any
- 45.12 grant award; and
- 45.13 (10) any additional information requested by the commissioner.
- 45.14 Subd. 7. **Awarding grants.** (a) In evaluating applications and awarding grants, the
- 45.15 commissioner may give priority to applications that:
- 45.16 (1) are in areas that have a documented shortage of affordable quality child care;
- 45.17 (2) demonstrate programmatic or financial collaborations and partnering among private
- 45.18 sector employers, public and nonprofit organizations within geographic areas;
- 45.19 (3) serve areas of the state experiencing worker shortages, low prime age workforce
- 45.20 participation rates, or prime age worker population loss that is significantly greater than the
- 45.21 statewide average;
- 45.22 (4) provide evidence of strong support for the project from citizens, government,
- 45.23 businesses, and institutions in the community;
- 45.24 (5) leverage greater amounts of funding for the project from private and nonstate public
- 45.25 sources.
- 45.26 (b) The commissioner shall endeavor to award grants under this section to qualified
- 45.27 applicants in all regions of the state.
- 45.28 Subd. 8. **Limitation.** (a) No grant awarded under this section may fund more than 50
- 45.29 percent of the total cost of a project.
- 45.30 (b) Grants awarded to a single project under this section must not exceed \$100,000.

ARTICLE 8

MINNESOTA INVESTMENT FUND

Section 1. Minnesota Statutes 2018, section 116J.8731, subdivision 5, is amended to read:

Subd. 5. **Grant limits.** (a) A Minnesota investment fund grant may not be approved for an amount in excess of \$1,000,000. This limit covers all money paid to complete the same project, whether paid to one or more grant recipients and whether paid in one or more fiscal years. A local community or recognized Indian tribal government may retain 40 percent, but not more than \$100,000, of a Minnesota investment fund grant when it is repaid to the local community or recognized Indian tribal government by the person or entity to which it was loaned by the local community or Indian tribal government.

(b) Repayment of funds to a local community or recognized Indian tribal government under this section may be used for purposes under section 116J.407, and for other economic or community development projects including loans to businesses in any industry and community development planning. Funds may be used for the proposed purposes upon the receipt and approval by the commissioner of employment and economic development of a resolution passed by the local community or the recognized Indian tribal government that documents the proposed uses. Activities approved under this paragraph are not limited by the provisions in this section.

(c) Money repaid to the state must be credited to a Minnesota investment revolving loan account in the state treasury. Funds in the account are appropriated to the commissioner and must be used in the same manner as are funds appropriated to the Minnesota investment fund. Funds repaid to the state through existing Minnesota investment fund agreements must be credited to the Minnesota investment revolving loan account effective July 1, 2005.

(d) A grant or loan may not be made to a person or entity for the operation or expansion of a casino or a store which is used solely or principally for retail sales.

(e) Persons or entities receiving grants or loans must pay each employee total compensation, including benefits not mandated by law, that on an annualized basis is equal to at least 110 percent of the federal poverty level for a family of four.

ARTICLE 9

JOB CREATION FUND

47.1

47.2

47.3 Section 1. Minnesota Statutes 2018, section 116J.8748, subdivision 4, is amended to read:

47.4 Subd. 4. **Certification; benefits.** (a) The commissioner may certify a Minnesota job
47.5 creation fund business as eligible to receive a specific value of benefit under paragraphs (b)
47.6 and (c) when the business has achieved its job creation and capital investment goals noted
47.7 in its agreement under subdivision 3.

47.8 (b) A qualified Minnesota job creation fund business may be certified eligible for the
47.9 benefits in this paragraph for up to five years for projects located in the metropolitan area
47.10 as defined in section 200.02, subdivision 24, and seven years for projects located outside
47.11 the metropolitan area, as determined by the commissioner when considering the best interests
47.12 of the state and local area. Notwithstanding section 16B.98, subdivision 5, paragraph (a),
47.13 clause (3), or 16B.98, subdivision 5, paragraph (b), grant agreements for projects located
47.14 outside the metropolitan area may be for up to seven years in length. The eligibility for the
47.15 following benefits begins the date the commissioner certifies the business as a qualified
47.16 Minnesota job creation fund business under this subdivision:

47.17 (1) up to five percent rebate for projects located in the metropolitan area as defined in
47.18 section 200.02, subdivision 24, and 7.5 percent for projects located outside the metropolitan
47.19 area, on capital investment on qualifying purchases as provided in subdivision 5 with the
47.20 total rebate for a project not to exceed \$500,000;

47.21 (2) an award of up to \$500,000 based on full-time job creation and wages paid as provided
47.22 in subdivision 6 with the total award not to exceed \$500,000;

47.23 (3) up to \$1,000,000 in capital investment rebates and \$1,000,000 in job creation awards
47.24 are allowable for projects that have at least \$25,000,000 in capital investment and 200 new
47.25 employees in the metropolitan area as defined in section 200.02, subdivision 24, and 75
47.26 new employees for projects located outside the metropolitan area;

47.27 (4) up to \$1,000,000 in capital investment rebates are allowable for projects that have
47.28 at least \$25,000,000 in capital investment and 200 retained employees for projects located
47.29 in the metropolitan area as defined in section 200.02, subdivision 24, and 75 employees for
47.30 projects located outside the metropolitan area; and

47.31 (5) for clauses (3) and (4) only, the capital investment expenditure requirements may
47.32 include the installation and purchases of machinery and equipment. These expenditures are
47.33 not eligible for the capital investment rebate provided under subdivision 5.

48.1 (c) The job creation award may be provided in multiple years as long as the qualified
48.2 Minnesota job creation fund business continues to meet the job creation goals provided for
48.3 in its agreement under subdivision 3 and the total award does not exceed \$500,000 except
48.4 as provided under paragraph (b), clauses (3) and (4).

48.5 (d) No rebates or award may be provided until the Minnesota job creation fund business
48.6 or a third party constructing or managing the project ~~has at least \$500,000 in capital~~
48.7 ~~investment in the project and at least ten full-time jobs:~~ (1) meets the capital investment
48.8 requirements as provided in subdivision 3, clause (3); and (2) the new full-time jobs as
48.9 provided in subdivision 3, clause (3), item (i), have been created and maintained for at least
48.10 one year or the retained employees, as provided in paragraph (b), clause (4), remain for at
48.11 least one year. The agreement may require additional performance outcomes that need to
48.12 be achieved before rebates and awards are provided. If fewer retained jobs are maintained,
48.13 but still above the minimum under this subdivision, the capital investment award shall be
48.14 reduced on a proportionate basis.

48.15 (e) The forms needed to be submitted to document performance by the Minnesota job
48.16 creation fund business must be in the form and be made under the procedures specified by
48.17 the commissioner. The forms shall include documentation and certification by the business
48.18 that it is in compliance with the business subsidy agreement, sections 116J.871 and 116L.66,
48.19 and other provisions as specified by the commissioner.

48.20 (f) Minnesota job creation fund businesses must pay each new full-time employee added
48.21 pursuant to the agreement total compensation, including benefits not mandated by law, that
48.22 on an annualized basis is equal to at least 110 percent of the federal poverty level for a
48.23 family of four.

48.24 (g) A Minnesota job creation fund business must demonstrate reasonable progress on
48.25 capital investment expenditures within six months following designation as a Minnesota
48.26 job creation fund business to ensure that the capital investment goal in the agreement under
48.27 subdivision 1 will be met. Businesses not making reasonable progress will not be eligible
48.28 for benefits under the submitted application and will need to work with the local government
48.29 unit to resubmit a new application and request to be a Minnesota job creation fund business.
48.30 Notwithstanding the goals noted in its agreement under subdivision 1, this action shall not
48.31 be considered a default of the business subsidy agreement.

49.1 **ARTICLE 10**49.2 **WAGE THEFT PREVENTION**

49.3 Section 1. Minnesota Statutes 2018, section 16C.285, subdivision 3, is amended to read:

49.4 Subd. 3. **Minimum criteria.** "Responsible contractor" means a contractor that conforms
49.5 to the responsibility requirements in the solicitation document for its portion of the work
49.6 on the project and verifies that it meets the following minimum criteria:

49.7 (1) the contractor:

49.8 (i) is in compliance with workers' compensation and unemployment insurance
49.9 requirements;

49.10 (ii) is in compliance with Department of Revenue and Department of Employment and
49.11 Economic Development registration requirements if it has employees;

49.12 (iii) has a valid federal tax identification number or a valid Social Security number if
49.13 an individual; and

49.14 (iv) has filed a certificate of authority to transact business in Minnesota with the secretary
49.15 of state if a foreign corporation or cooperative;

49.16 (2) the contractor or related entity is in compliance with and, during the three-year period
49.17 before submitting the verification, has not violated section 177.24, 177.25, 177.41 to 177.44,
49.18 181.03, 181.101, 181.13, 181.14, or 181.722, and has not violated United States Code, title
49.19 29, sections 201 to 219, or United States Code, title 40, sections 3141 to 3148. For purposes
49.20 of this clause, a violation occurs when a contractor or related entity:

49.21 (i) repeatedly fails to pay statutorily required wages or penalties on one or more separate
49.22 projects for a total underpayment of \$25,000 or more within the three-year period, provided
49.23 that a failure to pay is "repeated" only if it involves two or more separate and distinct
49.24 occurrences of underpayment during the three-year period;

49.25 (ii) has been issued an order to comply by the commissioner of labor and industry that
49.26 has become final;

49.27 (iii) has been issued at least two determination letters within the three-year period by
49.28 the Department of Transportation finding an underpayment by the contractor or related
49.29 entity to its own employees;

49.30 (iv) has been found by the commissioner of labor and industry to have repeatedly or
49.31 willfully violated any of the sections referenced in this clause pursuant to section 177.27;

50.1 (v) has been issued a ruling or findings of underpayment by the administrator of the
50.2 Wage and Hour Division of the United States Department of Labor that have become final
50.3 or have been upheld by an administrative law judge or the Administrative Review Board;
50.4 ~~or~~

50.5 (vi) has been found liable for underpayment of wages or penalties or misrepresenting a
50.6 construction worker as an independent contractor in an action brought in a court having
50.7 jurisdiction; or

50.8 (vii) has been convicted of a violation of section 177.32, subdivision 1, or 609.52,
50.9 subdivision 2, clause (19).

50.10 Provided that, if the contractor or related entity contests a determination of underpayment
50.11 by the Department of Transportation in a contested case proceeding, a violation does not
50.12 occur until the contested case proceeding has concluded with a determination that the
50.13 contractor or related entity underpaid wages or penalties;

50.14 (3) the contractor or related entity is in compliance with and, during the three-year period
50.15 before submitting the verification, has not violated section 181.723 or chapter 326B. For
50.16 purposes of this clause, a violation occurs when a contractor or related entity has been issued
50.17 a final administrative or licensing order;

50.18 (4) the contractor or related entity has not, more than twice during the three-year period
50.19 before submitting the verification, had a certificate of compliance under section 363A.36
50.20 revoked or suspended based on the provisions of section 363A.36, with the revocation or
50.21 suspension becoming final because it was upheld by the Office of Administrative Hearings
50.22 or was not appealed to the office;

50.23 (5) the contractor or related entity has not received a final determination assessing a
50.24 monetary sanction from the Department of Administration or Transportation for failure to
50.25 meet targeted group business, disadvantaged business enterprise, or veteran-owned business
50.26 goals, due to a lack of good faith effort, more than once during the three-year period before
50.27 submitting the verification;

50.28 (6) the contractor or related entity is not currently suspended or debarred by the federal
50.29 government or the state of Minnesota or any of its departments, commissions, agencies, or
50.30 political subdivisions that have authority to debar a contractor; and

50.31 (7) all subcontractors and motor carriers that the contractor intends to use to perform
50.32 project work have verified to the contractor through a signed statement under oath by an
50.33 owner or officer that they meet the minimum criteria listed in clauses (1) to (6).

51.1 Any violations, suspensions, revocations, or sanctions, as defined in clauses (2) to (5),
51.2 occurring prior to July 1, 2014, shall not be considered in determining whether a contractor
51.3 or related entity meets the minimum criteria.

51.4 Sec. 2. Minnesota Statutes 2018, section 177.27, is amended by adding a subdivision to
51.5 read:

51.6 Subd. 1a. **Authority to investigate.** To carry out the purposes of this chapter and chapters
51.7 181, 181A, and 184, and utilizing the enforcement authority of section 175.20, the
51.8 commissioner is authorized to enter the places of business and employment of any employer
51.9 in the state to investigate wages, hours, and other conditions and practices of work, collect
51.10 evidence, and conduct interviews. The commissioner is authorized to enter the places of
51.11 business and employment during working hours and without delay. The commissioner may
51.12 use investigation methods that include but are not limited to examination, surveillance,
51.13 transcription, copying, scanning, photographing, audio or video recording, testing, and
51.14 sampling along with taking custody of evidence. Evidence that may be collected includes
51.15 but is not limited to documents, records, books, registers, payrolls, electronically and digitally
51.16 stored information, machinery, equipment, tools, and other tangible items that in any way
51.17 relate to wages, hours, and other conditions and practices of work. The commissioner may
51.18 privately interview any individual, including owners, employers, operators, agents, workers,
51.19 and other individuals who may have knowledge of the conditions and practices of work
51.20 under investigation.

51.21 Sec. 3. Minnesota Statutes 2018, section 177.27, subdivision 2, is amended to read:

51.22 Subd. 2. **Submission of records; penalty.** The commissioner may require the employer
51.23 of employees working in the state to submit to the commissioner photocopies, certified
51.24 copies, or, if necessary, the originals of employment records which the commissioner deems
51.25 necessary or appropriate. The records which may be required include full and correct
51.26 statements in writing, including sworn statements by the employer, containing information
51.27 relating to wages, gratuities, hours, names, addresses, and any other information pertaining
51.28 to the employer's employees and the conditions of their employment as the commissioner
51.29 deems necessary or appropriate.

51.30 The commissioner may require the records to be submitted by certified mail delivery
51.31 or, if necessary, by personal delivery by the employer or a representative of the employer,
51.32 as authorized by the employer in writing.

52.1 ~~The commissioner may fine the employer up to \$1,000 for each failure to submit or~~
52.2 ~~deliver records as required by this section. This penalty is in addition to any penalties~~
52.3 ~~provided under section 177.32, subdivision 1. In determining the amount of a civil penalty~~
52.4 ~~under this subdivision, the appropriateness of such penalty to the size of the employer's~~
52.5 ~~business and the gravity of the violation shall be considered.~~

52.6 Sec. 4. Minnesota Statutes 2018, section 177.27, is amended by adding a subdivision to
52.7 read:

52.8 Subd. 3a. **Penalties.** The commissioner may fine an employer up to \$10,000 for each
52.9 failure to submit or deliver records as required by this chapter and chapters 181, 181A, and
52.10 184. This penalty is in addition to any penalties provided under sections 177.30 and 177.32,
52.11 subdivision 1. In determining the amount of a civil penalty under this subdivision, the
52.12 appropriateness of the penalty to the size of the employer's business and the gravity of the
52.13 violation as provided in section 14.045, subdivision 3, paragraph (a), shall be considered.

52.14 Sec. 5. Minnesota Statutes 2018, section 177.27, subdivision 4, is amended to read:

52.15 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an
52.16 employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031, 181.032,
52.17 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.172, paragraph (a) or (d), 181.275,
52.18 subdivision 2a, 181.722, 181.79, and 181.939 to 181.943, or with any rule promulgated
52.19 under section 177.28. The commissioner shall issue an order requiring an employer to
52.20 comply with sections 177.41 to 177.435 if the violation is repeated. For purposes of this
52.21 subdivision only, a violation is repeated if at any time during the two years that preceded
52.22 the date of violation, the commissioner issued an order to the employer for violation of
52.23 sections 177.41 to 177.435 and the order is final or the commissioner and the employer
52.24 have entered into a settlement agreement that required the employer to pay back wages that
52.25 were required by sections 177.41 to 177.435. The department shall serve the order upon the
52.26 employer or the employer's authorized representative in person or by certified mail at the
52.27 employer's place of business. An employer who wishes to contest the order must file written
52.28 notice of objection to the order with the commissioner within 15 calendar days after being
52.29 served with the order. A contested case proceeding must then be held in accordance with
52.30 sections 14.57 to 14.69. The employer to whom the order is issued and the commissioner,
52.31 who may designate appropriate representation to appear on behalf of the commissioner in
52.32 the administrative proceeding, are the parties to the hearing. If, within 15 calendar days
52.33 after being served with the order, the employer fails to file a written notice of objection with
52.34 the commissioner, the order becomes a final order of the commissioner.

53.1 Sec. 6. Minnesota Statutes 2018, section 177.27, subdivision 7, is amended to read:

53.2 Subd. 7. **Employer liability.** If an employer is found by the commissioner to have
53.3 violated a section identified in subdivision 4, or any rule adopted under section 177.28, and
53.4 the commissioner issues an order to comply, the commissioner shall order the employer to
53.5 cease and desist from engaging in the violative practice and to take such affirmative steps
53.6 that in the judgment of the commissioner will effectuate the purposes of the section or rule
53.7 violated. The commissioner shall order the employer to pay to the aggrieved parties ~~back~~
53.8 ~~pay, wages owed, gratuities received,~~ and compensatory damages, less any amount actually
53.9 paid to the employee by the employer, and for an additional equal amount as liquidated
53.10 damages. Any employer who is found by the commissioner to have repeatedly or willfully
53.11 violated a section or sections identified in subdivision 4, or found to owe to aggrieved parties
53.12 wages or gratuities in an amount that exceeds \$1,000, shall be subject to a civil penalty of
53.13 up to ~~\$1,000~~ \$2,000 for each violation for each employee. In determining the amount of a
53.14 civil penalty under this subdivision, the appropriateness of such penalty to the size of the
53.15 employer's business and the gravity of the violation shall be considered. In addition, the
53.16 commissioner may order the employer to reimburse the department and the attorney general
53.17 for all appropriate litigation and hearing costs expended in preparation for and in conducting
53.18 the contested case proceeding, unless payment of costs would impose extreme financial
53.19 hardship on the employer. If the employer is able to establish extreme financial hardship,
53.20 then the commissioner may order the employer to pay a percentage of the total costs that
53.21 will not cause extreme financial hardship. Costs include but are not limited to the costs of
53.22 services rendered by the attorney general, private attorneys if engaged by the department,
53.23 administrative law judges, court reporters, and expert witnesses as well as the cost of
53.24 transcripts. Interest shall accrue on, and be added to, the unpaid balance of a commissioner's
53.25 order from the date the order is signed by the commissioner until it is paid, at an annual rate
53.26 provided in section 549.09, subdivision 1, paragraph (c). The commissioner may establish
53.27 escrow accounts for purposes of distributing damages.

53.28 Sec. 7. Minnesota Statutes 2018, section 177.27, subdivision 8, is amended to read:

53.29 Subd. 8. **Court actions; suits brought by private parties.** An employee may bring a
53.30 civil action seeking redress for a violation or violations of sections 177.21 to 177.44 directly
53.31 to district court. An employer who pays an employee less than the wages and overtime
53.32 compensation to which the employee is entitled under sections 177.21 to 177.44 is liable
53.33 to the employee for the full amount of the wages, gratuities, and overtime compensation,
53.34 less any amount the employer is able to establish was actually paid to the employee and for
53.35 ~~an additional equal~~ double the amount as liquidated damages. In addition, in an action under

54.1 this subdivision the employee may seek damages and other appropriate relief provided by
54.2 subdivision 7 and otherwise provided by law. An agreement between the employee and the
54.3 employer to work for less than the applicable wage is not a defense to the action.

54.4 Sec. 8. Minnesota Statutes 2018, section 177.27, is amended by adding a subdivision to
54.5 read:

54.6 Subd. 11. **Subpoenas.** In order to carry out the purposes of this chapter and chapters
54.7 181, 181A, and 184, the commissioner may issue subpoenas to compel persons to appear
54.8 before the commissioner to give testimony and produce and permit inspection, copying,
54.9 testing, or sampling of designated documents, records, books, registers, payrolls,
54.10 electronically and digitally stored information, machinery, equipment, tools, and other
54.11 tangible items that in any way relate to wages, hours, and other conditions and practices of
54.12 work in the possession, custody, or control of that person that are deemed necessary or
54.13 appropriate by the commissioner. A subpoena may specify the form or format in which
54.14 electronically or digitally stored information is to be produced. Upon the application of the
54.15 commissioner, a district court shall treat the failure of any person to obey a subpoena lawfully
54.16 issued by the commissioner under this subdivision as a contempt of court.

54.17 Sec. 9. Minnesota Statutes 2018, section 177.27, is amended by adding a subdivision to
54.18 read:

54.19 Subd. 12. **Court orders for entrance and inspection.** To carry out the purposes of this
54.20 chapter and chapters 181, 181A, and 184, and utilizing the enforcement authority of section
54.21 175.20, the commissioner is authorized to enter places of business and employment of any
54.22 employer in the state to investigate wages, hours, and other conditions and practices of
54.23 work, collect evidence, and conduct interviews. The commissioner is authorized to enter
54.24 the places of business and employment during working hours and without delay. Upon the
54.25 anticipated refusal based on a refusal to permit entrance on a prior occasion or actual refusal
54.26 of an employer, owner, operator, or agent in charge of an employer's place of business or
54.27 employment, the commissioner may apply for an order in the district court in the county in
54.28 which the place of business or employment is located, to compel an employer, owner,
54.29 operator, or agent in charge of the place of business or employment to permit the
54.30 commissioner entry to investigate wages, hours, and other conditions and practices of work,
54.31 collect evidence, and interview witnesses.

55.1 Sec. 10. Minnesota Statutes 2018, section 177.27, is amended by adding a subdivision to
55.2 read:

55.3 Subd. 13. **State licensing or regulatory power.** In the case of an employer which is
55.4 subject to the licensing or regulatory power of the state or any political subdivision or agency
55.5 thereof, if the commissioner issues an order to comply under subdivision 4, the commissioner
55.6 may provide the licensing or regulatory agency a copy of the order to comply. Unless the
55.7 order to comply is reversed in the course of administrative or judicial review, the order to
55.8 comply is binding on the agency and the agency may take appropriate action, including
55.9 action related to the eligibility, renewal, suspension, or revocation of a license or certificate
55.10 of public convenience and necessity if the agency is otherwise authorized to take such action.

55.11 Sec. 11. Minnesota Statutes 2018, section 177.27, is amended by adding a subdivision to
55.12 read:

55.13 Subd. 14. **Public contracts.** In the case of an employer that is a party to a public contract,
55.14 if the commissioner issues an order to comply under subdivision 4, the commissioner may
55.15 provide a copy of the order to comply to the contract letting agency. Unless the order to
55.16 comply is reversed in the course of administrative or judicial review, an order to comply is
55.17 binding on the contract letting agency and the agency may take appropriate administrative
55.18 action, including the imposition of financial penalties and eligibility for, termination or
55.19 nonrenewal of a contract, in whole or in part, if the agency is otherwise authorized to take
55.20 the action.

55.21 Sec. 12. Minnesota Statutes 2018, section 177.27, is amended by adding a subdivision to
55.22 read:

55.23 Subd. 15. **Notice to employees of compliance orders and citations.** In a compliance
55.24 order or citation issued under this chapter and chapters 181, 181A, and 184, the commissioner
55.25 may require that the provisions of a compliance order or citation setting out the violations
55.26 found by the commissioner and any subsequent document setting out the resolution of the
55.27 compliance order or citation through settlement agreement or other final disposition, upon
55.28 receipt by the employer, be made available for review by the employees of the employer
55.29 using the means the employer uses to provide other work-related notices to the employer's
55.30 employees. The means used by the employer must be at least as effective as the following
55.31 options for providing notice: (1) posting a copy of the compliance order or citation at each
55.32 location where employees perform work and where the notice must be readily observed and
55.33 easily reviewed by all employees performing work; or (2) providing a paper or electronic

56.1 copy of the compliance order or citation to employees. Each citation and proposed penalty
 56.2 shall be posted or made available to employees for a minimum period of 20 days. Upon
 56.3 issuance of a compliance order or citation to an employer, the commissioner may also
 56.4 provide the provisions of the compliance order or citation setting out the violations found
 56.5 by the commissioner and any resolution of a compliance order or citation through settlement
 56.6 agreement or other final disposition to the employer's employees who may be affected by
 56.7 the order or citation and how the order or citation and resolution may affect their interests.

56.8 Sec. 13. Minnesota Statutes 2018, section 177.30, is amended to read:

56.9 **177.30 KEEPING RECORDS; PENALTY.**

56.10 (a) Every employer subject to sections 177.21 to 177.44 and 181.01 to 181.171 must
 56.11 make and keep a record of:

56.12 (1) the name, address, job title or classification, and occupation of each employee;

56.13 (2) the rate of pay, and the amount paid each pay period to each employee, including
 56.14 whether each employee is paid by the hour, shift, day, week, salary, piece, commission, or
 56.15 other method;

56.16 (3) the hours worked each day and each workweek by the employee, including for all
 56.17 employees paid at piece rate, the number of pieces completed at each piece rate;

56.18 (4) any personnel policies provided to employees;

56.19 (5) a copy of the notice provided to each employee as required by section 181.032,
 56.20 paragraph (d);

56.21 ~~(4)~~ (6) for each employer subject to sections 177.41 to 177.44, and while performing
 56.22 work on public works projects funded in whole or in part with state funds, the employer
 56.23 shall furnish under oath signed by an owner or officer of an employer to the contracting
 56.24 authority and the project owner every two weeks, a certified payroll report with respect to
 56.25 the wages and benefits paid each employee during the preceding weeks specifying for each
 56.26 employee: name; identifying number; prevailing wage master job classification; hours
 56.27 worked each day; total hours; rate of pay; gross amount earned; each deduction for taxes;
 56.28 total deductions; net pay for week; dollars contributed per hour for each benefit, including
 56.29 name and address of administrator; benefit account number; and telephone number for
 56.30 health and welfare, vacation or holiday, apprenticeship training, pension, and other benefit
 56.31 programs; and

57.1 ~~(5) (7)~~ other information the commissioner finds necessary and appropriate to enforce
57.2 sections 177.21 to 177.435. The records must be kept for three years ~~in or near the premises~~
57.3 ~~where an employee works~~ except each employer subject to sections 177.41 to 177.44, and
57.4 while performing work on public works projects funded in whole or in part with state funds,
57.5 the records must be kept for three years after the contracting authority has made final payment
57.6 on the public works project.

57.7 ~~(b) The commissioner may fine an employer up to \$1,000 for each failure to maintain~~
57.8 ~~records as required by this section. This penalty is in addition to any penalties provided~~
57.9 ~~under section 177.32, subdivision 1. In determining the amount of a civil penalty under this~~
57.10 ~~subdivision, the appropriateness of such penalty to the size of the employer's business and~~
57.11 ~~the gravity of the violation shall be considered.~~

57.12 (b) All records required to be made and kept under paragraph (a) must be made available
57.13 for inspection by the commissioner upon demand. The records must be either kept at the
57.14 place where employees are working or kept in a manner that allows the employer to comply
57.15 with this paragraph within 24 hours.

57.16 (c) The commissioner may fine an employer up to \$10,000 for each failure to make and
57.17 keep accurate records as required by this chapter and chapters 181, 181A, and 184. This
57.18 penalty is in addition to any penalties provided under sections 177.27, subdivision 2, and
57.19 177.32, subdivision 1. In determining the amount of a civil penalty under this subdivision,
57.20 the appropriateness of such penalty to the size of the employer's business and the gravity
57.21 of the violation as provided in section 14.045, subdivision 3, paragraph (a), shall be
57.22 considered. Penalties issued for a de minimis error in making and keeping records required
57.23 by this chapter and chapters 181, 181A, and 184, shall not exceed \$1,000 for a first finding
57.24 of violation by the commissioner if the employer immediately corrects the error identified
57.25 by the commissioner. If an employer fails to make or keep or fails to submit or deliver
57.26 records as required by this chapter and chapter 181, 181A, or 184, and as a result issues
57.27 arise as to whether the employer has committed alleged violations, it shall be presumed that
57.28 the employer has committed the violations alleged and the employer shall bear the burden
57.29 of rebutting that presumption through clear and convincing evidence. The commissioner
57.30 may make a determination of wages, salary, earnings, commissions, and gratuities owed
57.31 based on available evidence and any contemporaneous records maintained by an employee
57.32 on rates of pay, days and hours worked, work performed and wages, salary, earnings,
57.33 commissions, and gratuities received by the employee, which shall be given deference in
57.34 determining wages owed the employee.

58.1 Sec. 14. Minnesota Statutes 2018, section 177.32, subdivision 1, is amended to read:

58.2 Subdivision 1. **Misdemeanors.** (a) An employer who does any of the following is guilty
58.3 of a misdemeanor:

58.4 (1) hinders or delays the commissioner in the performance of duties required under
58.5 sections 177.21 to 177.435, and chapter 181;

58.6 (2) refuses to admit the commissioner to the place of business or employment of the
58.7 employer, as required by section 177.27, ~~subdivision 1~~ subdivision 1a;

58.8 (3) repeatedly fails to make, keep, and preserve records as required by section 177.30;

58.9 (4) falsifies any record;

58.10 (5) refuses to make any record available, or to furnish a sworn statement of the record
58.11 or any other information as required by section 177.27;

58.12 (6) repeatedly fails to post a summary of sections 177.21 to 177.44 or a copy or summary
58.13 of the applicable rules as required by section 177.31;

58.14 (7) pays or agrees to pay wages at a rate less than the rate required under sections 177.21
58.15 to 177.44;

58.16 (8) refuses to allow adequate time from work as required by section 177.253; or

58.17 (9) otherwise violates any provision of sections 177.21 to 177.44.

58.18 (b) An employer is guilty of a gross misdemeanor if the employer is found to have
58.19 intentionally retaliated against an employee for asserting rights or remedies under sections
58.20 177.21 to 177.44, or section 181.03.

58.21 Sec. 15. [177.45] ENFORCEMENT; REMEDIES.

58.22 Subdivision 1. Public enforcement. In addition to the enforcement of this chapter by
58.23 the department, the attorney general may enforce this chapter under section 8.31.

58.24 Subd. 2. Remedies cumulative. The remedies provided in this chapter are cumulative
58.25 and do not restrict any remedy that is otherwise available, including remedies provided
58.26 under section 8.31. The remedies available under this section are not exclusive and are in
58.27 addition to any other requirements, rights, remedies, and penalties provided by law.

58.28 Sec. 16. Minnesota Statutes 2018, section 181.03, subdivision 1, is amended to read:

58.29 Subdivision 1. **Prohibited practices.** ~~An employer may not, directly or indirectly and~~
58.30 ~~with intent to defraud:~~

59.1 (a) No employer shall commit wage theft.

59.2 (b) For the purposes of this section, wage theft is committed if:

59.3 (1) an employer has failed to pay an employee all owed wages, salary, gratuities, earnings,
 59.4 or commissions at the employee's rate or rates of pay or at the rate or rates required by law,
 59.5 including any applicable statute, regulation, rule, ordinance, government resolution or policy,
 59.6 contract, or other legal authority, whichever rate of pay is greater;

59.7 ~~(1) cause~~ (2) an employer directly or indirectly causes any employee to give a receipt
 59.8 for wages for a greater amount than that actually paid to the employee for services rendered;

59.9 ~~(2) (3) an employer~~ directly or indirectly ~~demand or receive~~ demands or receives from
 59.10 any employee any rebate or refund from the wages owed the employee under contract of
 59.11 employment with the employer; or

59.12 ~~(3) (4) an employer~~ in any manner ~~make~~ makes or ~~attempt~~ attempts to make it appear
 59.13 that the wages paid to any employee were greater than the amount actually paid to the
 59.14 employee.

59.15 Sec. 17. Minnesota Statutes 2018, section 181.03, is amended by adding a subdivision to
 59.16 read:

59.17 Subd. 4. **Retaliation.** An employer may not retaliate against an employee for asserting
 59.18 rights or remedies under this section. A rebuttable presumption of unlawful retaliation under
 59.19 this section exists whenever an employer takes adverse action against an employee within
 59.20 90 days of the employee asserting rights or remedies under this section.

59.21 Sec. 18. Minnesota Statutes 2018, section 181.03, is amended by adding a subdivision to
 59.22 read:

59.23 Subd. 5. **Enforcement.** The use of an enforcement provision in this section shall not
 59.24 preclude the use of any other enforcement provision provided by law.

59.25 Sec. 19. Minnesota Statutes 2018, section 181.03, is amended by adding a subdivision to
 59.26 read:

59.27 Subd. 6. **Citations.** (a) In addition to other remedies and penalties provided by this
 59.28 chapter and chapter 177, the commissioner may issue a citation for a civil penalty of up to
 59.29 \$1,000 for any wage theft of up to \$1,000 by serving the citation on the employer. The
 59.30 citation may direct the employer to pay employees in a manner prescribed by the
 59.31 commissioner any wages, salary, gratuities, earnings, or commissions owed to the employee

60.1 within 15 days of service of the citation on the employer. The commissioner shall serve the
60.2 citation upon the employer or the employer's authorized representative in person or by
60.3 certified mail at the employer's place of business or registered office address with the
60.4 secretary of state. The citation shall require the employer to correct the violation and cease
60.5 and desist from committing the violation.

60.6 (b) In determining the amount of the civil penalty, the commissioner shall consider the
60.7 size of the employer's business and the gravity of the violation as provided in section 14.045,
60.8 subdivision 3, paragraph (a). If the citation includes a penalty assessment, the penalty is
60.9 due and payable on the date the citation becomes final. The commissioner may vacate the
60.10 citation if the employer pays the amount of wages, salaries, commissions, earnings, and
60.11 gratuities due in the citation within five days after the citation is served on the employer.

60.12 Sec. 20. Minnesota Statutes 2018, section 181.03, is amended by adding a subdivision to
60.13 read:

60.14 Subd. 7. **Administrative review.** (a) Within 15 days after the commissioner issues a
60.15 citation under subdivision 6, the employer to whom the citation is issued may request a
60.16 hearing to review the citation. The request for hearing must be in writing and must be served
60.17 on the commissioner at the address specified in the citation. If the employer does not request
60.18 a hearing or if the employer's written request for hearing is not served on the commissioner
60.19 by the 15th day after the commissioner issues the citation, the citation becomes a final order
60.20 of the commissioner and is not subject to review by any court or agency. The hearing request
60.21 must state the reasons for seeking review of the citation.

60.22 (b) The employer to whom the citation is issued and the commissioner, who may
60.23 designate appropriate representation to appear on behalf of the commissioner in the
60.24 administrative proceeding, are the parties to the hearing. The commissioner must notify the
60.25 employer to whom the citation is issued of the time and place of the hearing at least 15 days
60.26 before the hearing. The hearing shall be conducted under Minnesota Rules, parts 1400.8510
60.27 to 1400.8612, as modified by this section.

60.28 (c) If a hearing has been held, the commissioner shall not issue a final order until at least
60.29 five days after the date of the administrative law judge's report. Any person aggrieved by
60.30 the administrative law judge's report may, within those five days, serve written comments
60.31 to the commissioner on the report and the commissioner shall consider and enter the
60.32 comments in the record. The commissioner's final order shall comply with sections 14.61,
60.33 subdivision 2, and 14.62, subdivisions 1 and 2a, and may be appealed in the manner provided
60.34 in sections 14.63 to 14.69.

61.1 Sec. 21. Minnesota Statutes 2018, section 181.03, is amended by adding a subdivision to
61.2 read:

61.3 Subd. 8. Effect on other laws. Nothing in this section shall be construed to limit the
61.4 application of other state or federal laws.

61.5 Sec. 22. Minnesota Statutes 2018, section 181.032, is amended to read:

61.6 **181.032 REQUIRED STATEMENT OF EARNINGS BY EMPLOYER; NOTICE**
61.7 **TO EMPLOYEE.**

61.8 (a) At the end of each pay period, the employer shall provide each employee an earnings
61.9 statement, either in writing or by electronic means, covering that pay period. An employer
61.10 who chooses to provide an earnings statement by electronic means must provide employee
61.11 access to an employer-owned computer during an employee's regular working hours to
61.12 review and print earnings statements.

61.13 (b) The earnings statement may be in any form determined by the employer but must
61.14 include:

61.15 (1) the name of the employee;

61.16 (2) the hourly rate or rates of pay (if applicable) and basis thereof, including whether
61.17 the employee is paid by the hour, shift, day, week, salary, piece, commission, or other
61.18 method;

61.19 (3) allowances, if any, claimed pursuant to permitted meals and lodging;

61.20 ~~(3)~~ (4) the total number of hours worked by the employee unless exempt from chapter
61.21 177;

61.22 ~~(4)~~ (5) the total amount of gross pay earned by the employee during that period;

61.23 ~~(5)~~ (6) a list of deductions made from the employee's pay;

61.24 ~~(6)~~ (7) the net amount of pay after all deductions are made;

61.25 ~~(7)~~ (8) the date on which the pay period ends; ~~and~~

61.26 ~~(8)~~ (9) the legal name of the employer and the operating name of the employer if different
61.27 from the legal name;

61.28 (10) the physical address of the employer's main office or principal place of business
61.29 and a mailing address if different; and

61.30 (11) the telephone number of the employer.

62.1 (c) An employer must provide earnings statements to an employee in writing, rather
62.2 than by electronic means, if the employer has received at least 24 hours notice from an
62.3 employee that the employee would like to receive earnings statements in written form. Once
62.4 an employer has received notice from an employee that the employee would like to receive
62.5 earnings statements in written form, the employer must comply with that request on an
62.6 ongoing basis.

62.7 (d) At the start of employment, an employer shall provide each employee a written notice
62.8 containing the following information:

62.9 (1) the rate or rates of pay, including the specific application of any additional rates, and
62.10 basis thereof, including whether the employee is paid by the hour, shift, day, week, salary,
62.11 piece, commission, or other method;

62.12 (2) allowances, if any, claimed pursuant to permitted meals and lodging;

62.13 (3) paid vacation, sick time, or other paid time off accruals and terms of use;

62.14 (4) the employee's employment status and whether the employee is exempt from minimum
62.15 wage, overtime, and other provisions of chapter 177, and on what basis;

62.16 (5) a list of deductions that may be made from the employee's pay;

62.17 (6) the dates on which the pay periods start and end and the regularly scheduled payday;

62.18 (7) the legal name of the employer and the operating name of the employer if different
62.19 from the legal name;

62.20 (8) the address of the employer's principal place of business and a mailing address if
62.21 different; and

62.22 (9) the telephone number of the employer.

62.23 (e) The employer must keep a copy of the notice under paragraph (d) signed by each
62.24 employee acknowledging receipt of the notice. The notice must be provided to each employee
62.25 in English and in the employee's native language.

62.26 (f) An employer must provide the employee any written changes to the information
62.27 contained in the notice under paragraph (d) at least seven calendar days prior to the time
62.28 the changes take effect. The changes must be signed by the employee before the changes
62.29 go into effect. The employer must keep a signed copy of all notice of changes as well as
62.30 the initial notices under paragraph (d).

63.1 Sec. 23. Minnesota Statutes 2018, section 181.101, is amended to read:

63.2 **181.101 WAGES; HOW OFTEN PAID.**

63.3 (a) Except as provided in paragraph (b), every employer must pay all wages earned by
 63.4 an employee at least once every ~~31~~ 16 days on a regular payday designated in advance by
 63.5 the employer regardless of whether the employee requests payment at longer intervals.
 63.6 ~~Unless paid earlier, the wages earned during the first half of the first 31-day pay period~~
 63.7 ~~become due on the first regular payday following the first day of work.~~ An employer's pay
 63.8 period must be no longer than 16 days. All wages earned in a pay period must be paid to
 63.9 an employee within ten days of the end of that pay period. If wages earned are not paid, the
 63.10 commissioner of labor and industry or the commissioner's representative may serve a demand
 63.11 for payment on behalf of an employee. If payment is not made within ~~ten~~ five days of service
 63.12 of the demand, the commissioner may charge and collect the wages earned and ~~a penalty~~
 63.13 liquidated damages in the amount of the employee's average daily earnings at the employee's
 63.14 rate agreed upon in the contract of employment, not exceeding 15 days in all, or rates of
 63.15 pay or at the rate or rates required by law, including any applicable statute, regulation, rule,
 63.16 ordinance, government resolution or policy, contract, or other legal authority, whichever
 63.17 rate of pay is greater, for each day beyond the ~~ten-day~~ five-day limit following the demand.
 63.18 Money collected by the commissioner must be paid to the employee concerned. This section
 63.19 does not prevent an employee from prosecuting a claim for wages. This section does not
 63.20 prevent a school district, other public school entity, or other school, as defined under section
 63.21 120A.22, from paying any wages earned by its employees during a school year on regular
 63.22 paydays in the manner provided by an applicable contract or collective bargaining agreement,
 63.23 or a personnel policy adopted by the governing board. For purposes of this section,
 63.24 "employee" includes a person who performs agricultural labor as defined in section 181.85,
 63.25 subdivision 2. For purposes of this section, wages are earned on the day an employee works.

63.26 (b) An employer of a volunteer firefighter, as defined in section 424A.001, subdivision
 63.27 10, a member of an organized first responder squad that is formally recognized by a political
 63.28 subdivision in the state, or a volunteer ambulance driver or attendant must pay all wages
 63.29 earned by the volunteer firefighter, first responder, or volunteer ambulance driver or attendant
 63.30 at least once every 31 days, unless the employer and the employee mutually agree upon
 63.31 payment at longer intervals.

63.32 Sec. 24. **[181.1721] ENFORCEMENT; REMEDIES.**

63.33 Subdivision 1. Public enforcement. In addition to the enforcement of this chapter by
 63.34 the department, the attorney general may enforce this chapter under section 8.31.

64.1 Subd. 2. Remedies cumulative. The remedies provided in this chapter are cumulative
64.2 and do not restrict any remedy that is otherwise available, including remedies provided
64.3 under section 8.31. The remedies available under this section are not exclusive and are in
64.4 addition to any other requirements, rights, remedies, and penalties provided by law.

64.5 Sec. 25. Minnesota Statutes 2018, section 609.52, subdivision 1, is amended to read:

64.6 Subdivision 1. **Definitions.** In this section:

64.7 (1) "Property" means all forms of tangible property, whether real or personal, without
64.8 limitation including documents of value, electricity, gas, water, corpses, domestic animals,
64.9 dogs, pets, fowl, and heat supplied by pipe or conduit by municipalities or public utility
64.10 companies and articles, as defined in clause (4), representing trade secrets, which articles
64.11 shall be deemed for the purposes of Extra Session Laws 1967, chapter 15 to include any
64.12 trade secret represented by the article.

64.13 (2) "Movable property" is property whose physical location can be changed, including
64.14 without limitation things growing on, affixed to, or found in land.

64.15 (3) "Value" means the retail market value at the time of the theft, or if the retail market
64.16 value cannot be ascertained, the cost of replacement of the property within a reasonable
64.17 time after the theft, or in the case of a theft or the making of a copy of an article representing
64.18 a trade secret, where the retail market value or replacement cost cannot be ascertained, any
64.19 reasonable value representing the damage to the owner which the owner has suffered by
64.20 reason of losing an advantage over those who do not know of or use the trade secret. For a
64.21 check, draft, or other order for the payment of money, "value" means the amount of money
64.22 promised or ordered to be paid under the terms of the check, draft, or other order. For a
64.23 theft committed within the meaning of subdivision 2, clause (5), items (i) and (ii), if the
64.24 property has been restored to the owner, "value" means the value of the use of the property
64.25 or the damage which it sustained, whichever is greater, while the owner was deprived of
64.26 its possession, but not exceeding the value otherwise provided herein. For a theft committed
64.27 within the meaning of subdivision 2, clause (9), if the property has been restored to the
64.28 owner, "value" means the rental value of the property, determined at the rental rate contracted
64.29 by the defendant or, if no rental rate was contracted, the rental rate customarily charged by
64.30 the owner for use of the property, plus any damage that occurred to the property while the
64.31 owner was deprived of its possession, but not exceeding the total retail value of the property
64.32 at the time of rental. For a theft committed within the meaning of subdivision 2, clause (19),
64.33 "value" means the difference between wages legally required to be reported or paid to an
64.34 employee and the amount actually reported or paid to the employee.

65.1 (4) "Article" means any object, material, device or substance, including any writing,
65.2 record, recording, drawing, sample specimen, prototype, model, photograph, microorganism,
65.3 blueprint or map, or any copy of any of the foregoing.

65.4 (5) "Representing" means describing, depicting, containing, constituting, reflecting or
65.5 recording.

65.6 (6) "Trade secret" means information, including a formula, pattern, compilation, program,
65.7 device, method, technique, or process, that:

65.8 (i) derives independent economic value, actual or potential, from not being generally
65.9 known to, and not being readily ascertainable by proper means by, other persons who can
65.10 obtain economic value from its disclosure or use, and

65.11 (ii) is the subject of efforts that are reasonable under the circumstances to maintain its
65.12 secrecy.

65.13 (7) "Copy" means any facsimile, replica, photograph or other reproduction of an article,
65.14 and any note, drawing, or sketch made of or from an article while in the presence of the
65.15 article.

65.16 (8) "Property of another" includes property in which the actor is co-owner or has a lien,
65.17 pledge, bailment, or lease or other subordinate interest, property transferred by the actor in
65.18 circumstances which are known to the actor and which make the transfer fraudulent as
65.19 defined in section 513.44, property possessed pursuant to a short-term rental contract, and
65.20 property of a partnership of which the actor is a member, unless the actor and the victim
65.21 are husband and wife. It does not include property in which the actor asserts in good faith
65.22 a claim as a collection fee or commission out of property or funds recovered, or by virtue
65.23 of a lien, setoff, or counterclaim.

65.24 (9) "Services" include but are not limited to labor, professional services, transportation
65.25 services, electronic computer services, the supplying of hotel accommodations, restaurant
65.26 services, entertainment services, advertising services, telecommunication services, and the
65.27 supplying of equipment for use including rental of personal property or equipment.

65.28 (10) "Motor vehicle" means a self-propelled device for moving persons or property or
65.29 pulling implements from one place to another, whether the device is operated on land, rails,
65.30 water, or in the air.

65.31 (11) "Motor fuel" has the meaning given in section 604.15, subdivision 1.

65.32 (12) "Retailer" has the meaning given in section 604.15, subdivision 1.

66.1 Sec. 26. Minnesota Statutes 2018, section 609.52, subdivision 2, is amended to read:

66.2 Subd. 2. **Acts constituting theft.** (a) Whoever does any of the following commits theft
66.3 and may be sentenced as provided in subdivision 3:

66.4 (1) intentionally and without claim of right takes, uses, transfers, conceals or retains
66.5 possession of movable property of another without the other's consent and with intent to
66.6 deprive the owner permanently of possession of the property; or

66.7 (2) with or without having a legal interest in movable property, intentionally and without
66.8 consent, takes the property out of the possession of a pledgee or other person having a
66.9 superior right of possession, with intent thereby to deprive the pledgee or other person
66.10 permanently of the possession of the property; or

66.11 (3) obtains for the actor or another the possession, custody, or title to property of or
66.12 performance of services by a third person by intentionally deceiving the third person with
66.13 a false representation which is known to be false, made with intent to defraud, and which
66.14 does defraud the person to whom it is made. "False representation" includes without
66.15 limitation:

66.16 (i) the issuance of a check, draft, or order for the payment of money, except a forged
66.17 check as defined in section 609.631, or the delivery of property knowing that the actor is
66.18 not entitled to draw upon the drawee therefor or to order the payment or delivery thereof;
66.19 or

66.20 (ii) a promise made with intent not to perform. Failure to perform is not evidence of
66.21 intent not to perform unless corroborated by other substantial evidence; or

66.22 (iii) the preparation or filing of a claim for reimbursement, a rate application, or a cost
66.23 report used to establish a rate or claim for payment for medical care provided to a recipient
66.24 of medical assistance under chapter 256B, which intentionally and falsely states the costs
66.25 of or actual services provided by a vendor of medical care; or

66.26 (iv) the preparation or filing of a claim for reimbursement for providing treatment or
66.27 supplies required to be furnished to an employee under section 176.135 which intentionally
66.28 and falsely states the costs of or actual treatment or supplies provided; or

66.29 (v) the preparation or filing of a claim for reimbursement for providing treatment or
66.30 supplies required to be furnished to an employee under section 176.135 for treatment or
66.31 supplies that the provider knew were medically unnecessary, inappropriate, or excessive;
66.32 or

67.1 (4) by swindling, whether by artifice, trick, device, or any other means, obtains property
67.2 or services from another person; or

67.3 (5) intentionally commits any of the acts listed in this subdivision but with intent to
67.4 exercise temporary control only and:

67.5 (i) the control exercised manifests an indifference to the rights of the owner or the
67.6 restoration of the property to the owner; or

67.7 (ii) the actor pledges or otherwise attempts to subject the property to an adverse claim;
67.8 or

67.9 (iii) the actor intends to restore the property only on condition that the owner pay a
67.10 reward or buy back or make other compensation; or

67.11 (6) finds lost property and, knowing or having reasonable means of ascertaining the true
67.12 owner, appropriates it to the finder's own use or to that of another not entitled thereto without
67.13 first having made reasonable effort to find the owner and offer and surrender the property
67.14 to the owner; or

67.15 (7) intentionally obtains property or services, offered upon the deposit of a sum of money
67.16 or tokens in a coin or token operated machine or other receptacle, without making the
67.17 required deposit or otherwise obtaining the consent of the owner; or

67.18 (8) intentionally and without claim of right converts any article representing a trade
67.19 secret, knowing it to be such, to the actor's own use or that of another person or makes a
67.20 copy of an article representing a trade secret, knowing it to be such, and intentionally and
67.21 without claim of right converts the same to the actor's own use or that of another person. It
67.22 shall be a complete defense to any prosecution under this clause for the defendant to show
67.23 that information comprising the trade secret was rightfully known or available to the
67.24 defendant from a source other than the owner of the trade secret; or

67.25 (9) leases or rents personal property under a written instrument and who:

67.26 (i) with intent to place the property beyond the control of the lessor conceals or aids or
67.27 abets the concealment of the property or any part thereof; or

67.28 (ii) sells, conveys, or encumbers the property or any part thereof without the written
67.29 consent of the lessor, without informing the person to whom the lessee sells, conveys, or
67.30 encumbers that the same is subject to such lease or rental contract with intent to deprive the
67.31 lessor of possession thereof; or

68.1 (iii) does not return the property to the lessor at the end of the lease or rental term, plus
68.2 agreed-upon extensions, with intent to wrongfully deprive the lessor of possession of the
68.3 property; or

68.4 (iv) returns the property to the lessor at the end of the lease or rental term, plus
68.5 agreed-upon extensions, but does not pay the lease or rental charges agreed upon in the
68.6 written instrument, with intent to wrongfully deprive the lessor of the agreed-upon charges.

68.7 For the purposes of items (iii) and (iv), the value of the property must be at least \$100.

68.8 Evidence that a lessee used a false, fictitious, or not current name, address, or place of
68.9 employment in obtaining the property or fails or refuses to return the property or pay the
68.10 rental contract charges to lessor within five days after written demand for the return has
68.11 been served personally in the manner provided for service of process of a civil action or
68.12 sent by certified mail to the last known address of the lessee, whichever shall occur later,
68.13 shall be evidence of intent to violate this clause. Service by certified mail shall be deemed
68.14 to be complete upon deposit in the United States mail of such demand, postpaid and addressed
68.15 to the person at the address for the person set forth in the lease or rental agreement, or, in
68.16 the absence of the address, to the person's last known place of residence; or

68.17 (10) alters, removes, or obliterates numbers or symbols placed on movable property for
68.18 purpose of identification by the owner or person who has legal custody or right to possession
68.19 thereof with the intent to prevent identification, if the person who alters, removes, or
68.20 obliterates the numbers or symbols is not the owner and does not have the permission of
68.21 the owner to make the alteration, removal, or obliteration; or

68.22 (11) with the intent to prevent the identification of property involved, so as to deprive
68.23 the rightful owner of possession thereof, alters or removes any permanent serial number,
68.24 permanent distinguishing number or manufacturer's identification number on personal
68.25 property or possesses, sells or buys any personal property knowing or having reason to
68.26 know that the permanent serial number, permanent distinguishing number or manufacturer's
68.27 identification number has been removed or altered; or

68.28 (12) intentionally deprives another of a lawful charge for cable television service by:

68.29 (i) making or using or attempting to make or use an unauthorized external connection
68.30 outside the individual dwelling unit whether physical, electrical, acoustical, inductive, or
68.31 other connection; or by

68.32 (ii) attaching any unauthorized device to any cable, wire, microwave, or other component
68.33 of a licensed cable communications system as defined in chapter 238. Nothing herein shall

69.1 be construed to prohibit the electronic video rerecording of program material transmitted
69.2 on the cable communications system by a subscriber for fair use as defined by Public Law
69.3 94-553, section 107; or

69.4 (13) except as provided in clauses (12) and (14), obtains the services of another with
69.5 the intention of receiving those services without making the agreed or reasonably expected
69.6 payment of money or other consideration; or

69.7 (14) intentionally deprives another of a lawful charge for telecommunications service
69.8 by:

69.9 (i) making, using, or attempting to make or use an unauthorized connection whether
69.10 physical, electrical, by wire, microwave, radio, or other means to a component of a local
69.11 telecommunication system as provided in chapter 237; or

69.12 (ii) attaching an unauthorized device to a cable, wire, microwave, radio, or other
69.13 component of a local telecommunication system as provided in chapter 237.

69.14 The existence of an unauthorized connection is prima facie evidence that the occupier
69.15 of the premises:

69.16 (A) made or was aware of the connection; and

69.17 (B) was aware that the connection was unauthorized;

69.18 (15) with intent to defraud, diverts corporate property other than in accordance with
69.19 general business purposes or for purposes other than those specified in the corporation's
69.20 articles of incorporation; or

69.21 (16) with intent to defraud, authorizes or causes a corporation to make a distribution in
69.22 violation of section 302A.551, or any other state law in conformity with it; or

69.23 (17) takes or drives a motor vehicle without the consent of the owner or an authorized
69.24 agent of the owner, knowing or having reason to know that the owner or an authorized agent
69.25 of the owner did not give consent; or

69.26 (18) intentionally, and without claim of right, takes motor fuel from a retailer without
69.27 the retailer's consent and with intent to deprive the retailer permanently of possession of
69.28 the fuel by driving a motor vehicle from the premises of the retailer without having paid
69.29 for the fuel dispensed into the vehicle; or

69.30 (19) intentionally engages in or authorizes a prohibited practice of wage theft as described
69.31 in section 181.03, subdivision 1.

70.1 (b) Proof that the driver of a motor vehicle into which motor fuel was dispensed drove
70.2 the vehicle from the premises of the retailer without having paid for the fuel permits the
70.3 factfinder to infer that the driver acted intentionally and without claim of right, and that the
70.4 driver intended to deprive the retailer permanently of possession of the fuel. This paragraph
70.5 does not apply if: (1) payment has been made to the retailer within 30 days of the receipt
70.6 of notice of nonpayment under section 604.15; or (2) a written notice as described in section
70.7 604.15, subdivision 4, disputing the retailer's claim, has been sent. This paragraph does not
70.8 apply to the owner of a motor vehicle if the vehicle or the vehicle's license plate has been
70.9 reported stolen before the theft of the fuel.

70.10 Sec. 27. Minnesota Statutes 2018, section 609.52, subdivision 3, is amended to read:

70.11 Subd. 3. **Sentence.** Whoever commits theft may be sentenced as follows:

70.12 (1) to imprisonment for not more than 20 years or to payment of a fine of not more than
70.13 \$100,000, or both, if the property is a firearm, or the value of the property or services stolen
70.14 is more than \$35,000 and the conviction is for a violation of subdivision 2, clause (3), (4),
70.15 (15), ~~or (16)~~, or 19, or section 609.2335, subdivision 1, clause (1) or (2), item (i); or

70.16 (2) to imprisonment for not more than ten years or to payment of a fine of not more than
70.17 \$20,000, or both, if the value of the property or services stolen exceeds \$5,000, or if the
70.18 property stolen was an article representing a trade secret, an explosive or incendiary device,
70.19 or a controlled substance listed in Schedule I or II pursuant to section 152.02 with the
70.20 exception of marijuana; or

70.21 (3) to imprisonment for not more than five years or to payment of a fine of not more
70.22 than \$10,000, or both, if any of the following circumstances exist:

70.23 (a) the value of the property or services stolen is more than \$1,000 but not more than
70.24 \$5,000; or

70.25 (b) the property stolen was a controlled substance listed in Schedule III, IV, or V pursuant
70.26 to section 152.02; or

70.27 (c) the value of the property or services stolen is more than \$500 but not more than
70.28 \$1,000 and the person has been convicted within the preceding five years for an offense
70.29 under this section, section 256.98; 268.182; 609.24; 609.245; 609.53; 609.582, subdivision
70.30 1, 2, or 3; 609.625; 609.63; 609.631; or 609.821, or a statute from another state, the United
70.31 States, or a foreign jurisdiction, in conformity with any of those sections, and the person
70.32 received a felony or gross misdemeanor sentence for the offense, or a sentence that was

71.1 stayed under section 609.135 if the offense to which a plea was entered would allow
71.2 imposition of a felony or gross misdemeanor sentence; or

71.3 (d) the value of the property or services stolen is not more than \$1,000, and any of the
71.4 following circumstances exist:

71.5 (i) the property is taken from the person of another or from a corpse, or grave or coffin
71.6 containing a corpse; or

71.7 (ii) the property is a record of a court or officer, or a writing, instrument or record kept,
71.8 filed or deposited according to law with or in the keeping of any public officer or office; or

71.9 (iii) the property is taken from a burning, abandoned, or vacant building or upon its
71.10 removal therefrom, or from an area of destruction caused by civil disaster, riot, bombing,
71.11 or the proximity of battle; or

71.12 (iv) the property consists of public funds belonging to the state or to any political
71.13 subdivision or agency thereof; or

71.14 (v) the property stolen is a motor vehicle; or

71.15 (4) to imprisonment for not more than one year or to payment of a fine of not more than
71.16 \$3,000, or both, if the value of the property or services stolen is more than \$500 but not
71.17 more than \$1,000; or

71.18 (5) in all other cases where the value of the property or services stolen is \$500 or less,
71.19 to imprisonment for not more than 90 days or to payment of a fine of not more than \$1,000,
71.20 or both, provided, however, in any prosecution under subdivision 2, clauses (1), (2), (3),
71.21 (4), and (13), the value of the money or property or services received by the defendant in
71.22 violation of any one or more of the above provisions within any six-month period may be
71.23 aggregated and the defendant charged accordingly in applying the provisions of this
71.24 subdivision; provided that when two or more offenses are committed by the same person
71.25 in two or more counties, the accused may be prosecuted in any county in which one of the
71.26 offenses was committed for all of the offenses aggregated under this paragraph.

71.27 Sec. 28. **REPEALER.**

71.28 Minnesota Statutes 2018, section 177.27, subdivisions 1 and 3, are repealed.

72.1

ARTICLE 11

72.2

HOUSING FINANCE AGENCY

72.3 Section 1. Minnesota Statutes 2018, section 327C.095, subdivision 1, is amended to read:

72.4 Subdivision 1. **Conversion of use; minimum notice.** (a) At least ~~nine~~ 12 months before
 72.5 the conversion of all or a portion of a manufactured home park to another use, or before
 72.6 closure of a manufactured home park or cessation of use of the land as a manufactured home
 72.7 park, the park owner must prepare a closure statement and provide a copy to the
 72.8 commissioners of health and the housing finance agency, the local planning agency, and a
 72.9 resident of each manufactured home where the residential use is being converted. The
 72.10 closure statement must include the following language in a font no smaller than 14 point:
 72.11 "YOU MAY BE ENTITLED TO COMPENSATION FROM THE MINNESOTA
 72.12 MANUFACTURED HOME RELOCATION TRUST FUND ADMINISTERED BY THE
 72.13 MINNESOTA HOUSING FINANCE AGENCY." A resident may not be required to vacate
 72.14 until ~~60~~ 90 days after the conclusion of the public hearing required under subdivision 4. If
 72.15 a lot is available in another section of the park that will continue to be operated as a park,
 72.16 the park owner must allow the resident to relocate the home to that lot unless the home,
 72.17 because of its size or local ordinance, is not compatible with that lot.

72.18 (b) Closure statements issued more than 24 months prior to the park closure must contain
 72.19 a closure date. If the closure does not take place within 24 months and the original statement
 72.20 does not contain a closure date, the statement must be reissued to the commissioners of
 72.21 health and the Housing Finance Agency, the local planning agency, and a resident of each
 72.22 manufactured home where the residential use is being converted.

72.23 Sec. 2. Minnesota Statutes 2018, section 327C.095, subdivision 2, is amended to read:

72.24 Subd. 2. **Notice of hearing; proposed change in land use.** If the planned conversion
 72.25 or cessation of operation requires a variance or zoning change, the ~~municipality~~ local
 72.26 government authority must mail a notice at least ten days before the hearing to a resident
 72.27 of each manufactured home in the park stating the time, place, and purpose of the public
 72.28 hearing. The park owner shall provide the ~~municipality~~ local government authority with a
 72.29 list of the names and addresses of at least one resident of each manufactured home in the
 72.30 park at the time application is made for a variance or zoning change.

72.31 Sec. 3. Minnesota Statutes 2018, section 327C.095, subdivision 3, is amended to read:

72.32 Subd. 3. **Closure statement.** Upon receipt of the closure statement from the park owner,
 72.33 the local planning agency shall submit the closure statement to the governing body of the

73.1 ~~municipality~~ local government authority and request the governing body to schedule a public
 73.2 hearing. The ~~municipality~~ local government authority must mail a notice at least ten days
 73.3 before the hearing to a resident of each manufactured home in the park stating the time,
 73.4 place, and purpose of the public hearing. The park owner shall provide the ~~municipality~~
 73.5 local government authority with a list of the names and addresses of at least one resident
 73.6 of each manufactured home in the park at the time the closure statement is submitted to the
 73.7 local planning agency.

73.8 Sec. 4. Minnesota Statutes 2018, section 327C.095, subdivision 4, is amended to read:

73.9 Subd. 4. **Public hearing; relocation compensation; neutral third party.** (a) The
 73.10 governing body of the affected ~~municipality~~ local government authority shall hold a public
 73.11 hearing to review the closure statement and any impact that the park closing may have on
 73.12 the displaced residents and the park owner. At the time of, and in the notice for, the public
 73.13 hearing, displaced residents must be informed that they may be eligible for payments from
 73.14 the Minnesota manufactured home relocation trust fund under section 462A.35 as
 73.15 compensation for reasonable relocation costs under subdivision 13, paragraphs (a) and (e).

73.16 (b) The governing body of the ~~municipality~~ local government authority may also require
 73.17 that other parties, including the ~~municipality~~ local government authority, but excluding the
 73.18 park owner or its purchaser, involved in the park closing provide additional compensation
 73.19 to residents to mitigate the adverse financial impact of the park closing upon the residents.

73.20 (c) At the public hearing, the ~~municipality~~ local government authority shall appoint a
 73.21 neutral third party, to be agreed upon by both the manufactured home park owner and
 73.22 manufactured home owners, whose hourly cost must be reasonable and paid from the
 73.23 Minnesota manufactured home relocation trust fund. The neutral third party shall act as a
 73.24 paymaster and arbitrator, with decision-making authority to resolve any questions or disputes
 73.25 regarding any contributions or disbursements to and from the Minnesota manufactured
 73.26 home relocation trust fund by either the manufactured home park owner or the manufactured
 73.27 home owners. If the parties cannot agree on a neutral third party, the ~~municipality will~~ local
 73.28 government authority shall make a determination.

73.29 (d) At the public hearing, the governing body of the local government authority shall
 73.30 make a determination if any ordinance was in effect on May 26, 2007, that would provide
 73.31 compensation to displaced residents and provide this information to the third party neutral
 73.32 to determine the applicable amount of compensation under subdivision 13, paragraph (f).

74.1 Sec. 5. Minnesota Statutes 2018, section 327C.095, subdivision 12, is amended to read:

74.2 Subd. 12. **Payment to the Minnesota manufactured home relocation trust fund.** (a)

74.3 If a manufactured home owner is required to move due to the conversion of all or a portion
74.4 of a manufactured home park to another use, the closure of a park, or cessation of use of
74.5 the land as a manufactured home park, the manufactured park owner shall, upon the change
74.6 in use, pay to the commissioner of management and budget for deposit in the Minnesota
74.7 manufactured home relocation trust fund under section 462A.35, the lesser amount of the
74.8 actual costs of moving or purchasing the manufactured home approved by the neutral third
74.9 party and paid by the Minnesota Housing Finance Agency under subdivision 13, paragraph
74.10 (a) or (e), or \$3,250 for each single section manufactured home, and \$6,000 for each
74.11 multisection manufactured home, for which a manufactured home owner has made
74.12 application for payment of relocation costs under subdivision 13, paragraph (c). The
74.13 manufactured home park owner shall make payments required under this section to the
74.14 Minnesota manufactured home relocation trust fund within 60 days of receipt of invoice
74.15 from the neutral third party.

74.16 (b) A manufactured home park owner is not required to make the payment prescribed
74.17 under paragraph (a), nor is a manufactured home owner entitled to compensation under
74.18 subdivision 13, paragraph (a) or (e), if:

74.19 (1) the manufactured home park owner relocates the manufactured home owner to
74.20 another space in the manufactured home park or to another manufactured home park at the
74.21 park owner's expense;

74.22 (2) the manufactured home owner is vacating the premises and has informed the
74.23 manufactured home park owner or manager of this prior to the mailing date of the closure
74.24 statement under subdivision 1;

74.25 (3) a manufactured home owner has abandoned the manufactured home, or the
74.26 manufactured home owner is not current on the monthly lot rental, personal property taxes;

74.27 (4) the manufactured home owner has a pending eviction action for nonpayment of lot
74.28 rental amount under section 327C.09, which was filed against the manufactured home owner
74.29 prior to the mailing date of the closure statement under subdivision 1, and the writ of recovery
74.30 has been ordered by the district court;

74.31 (5) the conversion of all or a portion of a manufactured home park to another use, the
74.32 closure of a park, or cessation of use of the land as a manufactured home park is the result
74.33 of a taking or exercise of the power of eminent domain by a governmental entity or public
74.34 utility; or

75.1 (6) the owner of the manufactured home is not a resident of the manufactured home
75.2 park, as defined in section 327C.01, subdivision 9, or the owner of the manufactured home
75.3 is a resident, but came to reside in the manufactured home park after the mailing date of
75.4 the closure statement under subdivision 1.

75.5 (c) If the unencumbered fund balance in the manufactured home relocation trust fund
75.6 is less than ~~\$1,000,000~~ \$3,000,000 as of June 30 of each year, the commissioner of
75.7 management and budget shall assess each manufactured home park owner by mail the total
75.8 amount of \$15 for each licensed lot in their park, payable on or before September 15 of that
75.9 year. The commissioner of management and budget shall deposit any payments in the
75.10 Minnesota manufactured home relocation trust fund. On or before July 15 of each year, the
75.11 commissioner of management and budget shall prepare and distribute to park owners a letter
75.12 explaining whether funds are being collected for that year, information about the collection,
75.13 an invoice for all licensed lots, and a sample form for the park owners to collect information
75.14 on which park residents have been accounted for. If assessed under this paragraph, the park
75.15 owner may recoup the cost of the \$15 assessment as a lump sum or as a monthly fee of no
75.16 more than \$1.25 collected from park residents together with monthly lot rent as provided
75.17 in section 327C.03, subdivision 6. Park owners may adjust payment for lots in their park
75.18 that are vacant or otherwise not eligible for contribution to the trust fund under section
75.19 327C.095, subdivision 12, paragraph (b), and deduct from the assessment accordingly.

75.20 (d) This subdivision and subdivision 13, paragraph (c), clause (5), are enforceable by
75.21 the neutral third party, on behalf of the Minnesota Housing Finance Agency, or by action
75.22 in a court of appropriate jurisdiction. The court may award a prevailing party reasonable
75.23 attorney fees, court costs, and disbursements.

75.24 Sec. 6. Minnesota Statutes 2018, section 327C.095, subdivision 13, is amended to read:

75.25 Subd. 13. **Change in use, relocation expenses; payments by park owner.** (a) If a
75.26 manufactured home owner is required to relocate due to the conversion of all or a portion
75.27 of a manufactured home park to another use, the closure of a manufactured home park, or
75.28 cessation of use of the land as a manufactured home park under subdivision 1, and the
75.29 manufactured home owner complies with the requirements of this section, the manufactured
75.30 home owner is entitled to payment from the Minnesota manufactured home relocation trust
75.31 fund equal to the manufactured home owner's actual relocation costs for relocating the
75.32 manufactured home to a new location within a ~~25-mile~~ 50-mile radius of the park that is
75.33 being closed, up to a maximum of \$7,000 for a single-section and \$12,500 for a multisection
75.34 manufactured home. The actual relocation costs must include the reasonable cost of taking

76.1 down, moving, and setting up the manufactured home, including equipment rental, utility
76.2 connection and disconnection charges, minor repairs, modifications necessary for
76.3 transportation of the home, necessary moving permits and insurance, moving costs for any
76.4 appurtenances, which meet applicable local, state, and federal building and construction
76.5 codes.

76.6 (b) A manufactured home owner is not entitled to compensation under paragraph (a) if
76.7 the manufactured home park owner is not required to make a payment to the Minnesota
76.8 manufactured home relocation trust fund under subdivision 12, paragraph (b).

76.9 (c) Except as provided in paragraph (e), in order to obtain payment from the Minnesota
76.10 manufactured home relocation trust fund, the manufactured home owner shall submit to the
76.11 neutral third party and the Minnesota Housing Finance Agency, with a copy to the park
76.12 owner, an application for payment, which includes:

76.13 (1) a copy of the closure statement under subdivision 1;

76.14 (2) a copy of the contract with a moving or towing contractor, which includes the
76.15 relocation costs for relocating the manufactured home;

76.16 (3) a statement with supporting materials of any additional relocation costs as outlined
76.17 in subdivision 1;

76.18 (4) a statement certifying that none of the exceptions to receipt of compensation under
76.19 subdivision 12, paragraph (b), apply to the manufactured home owner;

76.20 (5) a statement from the manufactured park owner that the lot rental is current ~~and that~~
76.21 ~~the annual \$15 payments to the Minnesota manufactured home relocation trust fund have~~
76.22 ~~been paid when due;~~ and

76.23 (6) a statement from the county where the manufactured home is located certifying that
76.24 personal property taxes for the manufactured home are paid through the end of that year.

76.25 (d) If the neutral third party has acted reasonably and does not approve or deny payment
76.26 within 45 days after receipt of the information set forth in paragraph (c), the payment is
76.27 deemed approved. Upon approval and request by the neutral third party, the Minnesota
76.28 Housing Finance Agency shall issue two checks in equal amount for 50 percent of the
76.29 contract price payable to the mover and towing contractor for relocating the manufactured
76.30 home in the amount of the actual relocation cost, plus a check to the home owner for
76.31 additional certified costs associated with third-party vendors, that were necessary in relocating
76.32 the manufactured home. The moving or towing contractor shall receive 50 percent upon
76.33 execution of the contract and 50 percent upon completion of the relocation and approval

77.1 by the manufactured home owner. The moving or towing contractor may not apply the funds
77.2 to any other purpose other than relocation of the manufactured home as provided in the
77.3 contract. A copy of the approval must be forwarded by the neutral third party to the park
77.4 owner with an invoice for payment of the amount specified in subdivision 12, paragraph
77.5 (a).

77.6 (e) In lieu of collecting a relocation payment from the Minnesota manufactured home
77.7 relocation trust fund under paragraph (a), the manufactured home owner may collect an
77.8 amount from the fund after reasonable efforts to relocate the manufactured home have failed
77.9 due to the age or condition of the manufactured home, or because there are no manufactured
77.10 home parks willing or able to accept the manufactured home within a 25-mile radius. A
77.11 manufactured home owner may tender title of the manufactured home in the manufactured
77.12 home park to the manufactured home park owner, and collect an amount to be determined
77.13 by an independent appraisal. The appraiser must be agreed to by both the manufactured
77.14 home park owner and the manufactured home owner. If the appraised market value cannot
77.15 be determined, the tax market value, averaged over a period of five years, can be used as a
77.16 substitute. The maximum amount that may be reimbursed under the fund is \$8,000 for a
77.17 single-section and \$14,500 for a multisection manufactured home. The minimum amount
77.18 that may be reimbursed under the fund is \$2,000 for a single section and \$4,000 for a
77.19 multisection manufactured home. The manufactured home owner shall deliver to the
77.20 manufactured home park owner the current certificate of title to the manufactured home
77.21 duly endorsed by the owner of record, and valid releases of all liens shown on the certificate
77.22 of title, and a statement from the county where the manufactured home is located evidencing
77.23 that the personal property taxes have been paid. The manufactured home owner's application
77.24 for funds under this paragraph must include a document certifying that the manufactured
77.25 home cannot be relocated, that the lot rental is current, that the annual \$15 payments to the
77.26 Minnesota manufactured home relocation trust fund have been paid when due, that the
77.27 manufactured home owner has chosen to tender title under this section, and that the park
77.28 owner agrees to make a payment to the commissioner of management and budget in the
77.29 amount established in subdivision 12, paragraph (a), less any documented costs submitted
77.30 to the neutral third party, required for demolition and removal of the home, and any debris
77.31 or refuse left on the lot, not to exceed \$1,000. The manufactured home owner must also
77.32 provide a copy of the certificate of title endorsed by the owner of record, and certify to the
77.33 neutral third party, with a copy to the park owner, that none of the exceptions to receipt of
77.34 compensation under subdivision 12, paragraph (b), clauses (1) to (6), apply to the
77.35 manufactured home owner, and that the home owner will vacate the home within 60 days

78.1 after receipt of payment or the date of park closure, whichever is earlier, provided that the
78.2 monthly lot rent is kept current.

78.3 ~~(f) The Minnesota Housing Finance Agency must make a determination of the amount~~
78.4 ~~of payment a manufactured home owner would have been entitled to under a local ordinance~~
78.5 ~~in effect on May 26, 2007.~~ Notwithstanding paragraph (a), the manufactured home owner's
78.6 compensation for relocation costs from the fund under section 462A.35, is the greater of
78.7 the amount provided under this subdivision, or the amount under the local ordinance in
78.8 effect on May 26, 2007, that is applicable to the manufactured home owner. Nothing in this
78.9 paragraph is intended to increase the liability of the park owner.

78.10 (g) Neither the neutral third party nor the Minnesota Housing Finance Agency shall be
78.11 liable to any person for recovery if the funds in the Minnesota manufactured home relocation
78.12 trust fund are insufficient to pay the amounts claimed. The Minnesota Housing Finance
78.13 Agency shall keep a record of the time and date of its approval of payment to a claimant.

78.14 (h) The agency shall report to the chairs of the senate Finance Committee and house of
78.15 representatives Ways and Means Committee by January 15 of each year on the Minnesota
78.16 manufactured home relocation trust fund, including the account balance, payments to
78.17 claimants, the amount of any advances to the fund, the amount of any insufficiencies
78.18 encountered during the previous calendar year, and any administrative charges or expenses
78.19 deducted from the trust fund balance. If sufficient funds become available, the Minnesota
78.20 Housing Finance Agency shall pay the manufactured home owner whose unpaid claim is
78.21 the earliest by time and date of approval.

78.22 **ARTICLE 12**

78.23 **SOLAR ON SCHOOLS**

78.24 Section 1. **[216C.375] SOLAR ON SCHOOLS PROGRAM.**

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

78.27 (b) "Developer" means an entity that installs a solar energy system on a building owned
78.28 by a school district that has been awarded a grant under this section.

78.29 (c) "Energy storage system" means a commercially available technology capable of:

78.30 (1) absorbing and storing electrical energy; and

78.31 (2) dispatching stored electrical energy at a later time.

78.32 (d) "In proximity of" means within an aggregation of school meters.

79.1 (e) "Investor" means an entity that finances the design, purchase, installation, operation,
79.2 and maintenance of a solar energy system installed at a school building in a school district
79.3 that received a grant under this section.

79.4 (f) "Photovoltaic device" has the meaning given in section 216C.06, subdivision 16.

79.5 (g) "School district" means an independent or special school district.

79.6 (h) "Solar energy system" means photovoltaic or solar thermal devices installed alone
79.7 or in conjunction with an energy storage system.

79.8 Subd. 2. **Establishment; purpose.** A solar on schools program is established in the
79.9 Department of Commerce. The purpose of the program is to provide grants and lease
79.10 agreements to stimulate the installation of solar energy systems in school districts throughout
79.11 the state by reducing the cost to purchase and install a solar energy system.

79.12 Subd. 3. **Expenditures.** Expenditures can be made for:

79.13 (1) grant awards made under this section; and

79.14 (2) administrative costs incurred by the department to administer this section up to
79.15 \$500,000 per year that the program is in operation.

79.16 Subd. 4. **Eligible system.** A grant may be awarded under this section to an eligible school
79.17 district only if the solar energy system that is the subject of the grant:

79.18 (1) is placed on or adjacent to the school district building using the electricity generated;
79.19 and

79.20 (2) has a capacity that does not exceed the lesser of:

79.21 (i) for a school building receiving retail electric service from a public utility subject to
79.22 section 116C.779, subdivision 1, one megawatt or 120 percent of the estimated electric load
79.23 of the school district building at which the solar energy system is proposed to be installed;
79.24 or

79.25 (ii) for a school building receiving retail electric service from a public utility not subject
79.26 to section 116C.779, subdivision 1, 40 kilowatts or 120 percent of the estimated electric
79.27 load of the school district building where the solar energy system is proposed to be installed.

79.28 Subd. 5. **Lease agreement; design.** The commissioner must design a lease agreement
79.29 that must be used by an applicant seeking a grant under this section. The lease agreement
79.30 must:

79.31 (1) make the commissioner a party to the lease agreement;

- 80.1 (2) contain a formula to calculate the future fair market value of the solar energy system;
80.2 (3) contain a formula to calculate the future value of payments made by the school district
80.3 to the investor under the lease agreement described in clause (6);
80.4 (4) specify an escalator for the allowable rate of increase for the lease payments;
80.5 (5) not exceed a term of 20 years;
80.6 (6) provide the school district an option to purchase the solar array from the investor at
80.7 the end of the lease contract term for a price based on a fair market value calculation, as
80.8 determined by the commissioner;
80.9 (7) include basic requirements regarding the removal and recycling of the system; and
80.10 (8) specify the investor must operate and maintain the leased system.

80.11 Subd. 6. **Adjustment.** (a) Every five years after entering into the lease agreement, and
80.12 90 days prior to the proposed termination of the lease agreement, the school district and the
80.13 investor must reexamine the projected values based on the formulas in the lease agreement
80.14 described in subdivision 6, clauses (2) to (4).

80.15 (b) The parties must notify the commissioner of any significant adjustments that should
80.16 be made to the forecasts of future values in subdivision 6, clauses (2) to (4), based on
80.17 experience under the lease agreement or for other reasons.

80.18 (c) The commissioner must review the adjustments requested by the parties, and must
80.19 approve the adjustments if the commissioner determines the adjustments are:

80.20 (1) reasonable;

80.21 (2) unforeseeable to the parties at the time the lease agreement was executed or at the
80.22 previous reexamination of the projected values; and

80.23 (3) in the public interest.

80.24 (d) The commissioner must adjust the grant amount reserved in the reserve account for
80.25 the solar energy system consistent with adjustments approved under this subdivision.

80.26 Subd. 7. **Program requirements.** (a) The commissioner must develop a master lease
80.27 program.

80.28 (b) Within the master lease program, the commissioner must develop a standard request
80.29 for proposals to solicit services.

80.30 (c) The commissioner must develop a quantitative weighting system for the information
80.31 provided in the application in order to rank applications. In the weighting system, the

81.1 commissioner must consider (1) under-resourced schools, as determined by 50 percent or
81.2 more of the student body qualifying for free or reduced-price lunches, and (2) geographic
81.3 dispersion of school districts applying.

81.4 (d) The commissioner must develop administrative procedures to govern the application
81.5 and grant award process.

81.6 (e) The program must include a prepaid lease option to buy out the lease prior to the end
81.7 of the lease.

81.8 (f) The developer must maintain the system through a minimum level of production, as
81.9 determined by the commissioner and communicated in program documents, through the
81.10 term of the lease.

81.11 (g) The program must require the developer to operate and maintain the solar energy
81.12 system through the term of the lease.

81.13 Subd. 8. **Application process.** (a) A developer may apply for a grant under this section
81.14 on behalf of a school district.

81.15 (b) An application submitted to the commissioner under this subdivision must include,
81.16 at a minimum, the following information:

81.17 (1) the capacity of the proposed solar energy system and the amount of electricity that
81.18 is expected to be generated;

81.19 (2) the current energy demand of the school building where the solar energy generating
81.20 system is proposed to be installed;

81.21 (3) the size of any energy storage system that is proposed to be installed as part of a
81.22 solar energy system;

81.23 (4) the total cost to purchase and install the proposed solar energy system, including the
81.24 life-cycle cost;

81.25 (5) a copy of the proposed lease agreement between the school district and an investor;

81.26 (6) a plan detailing how the school intends to make the solar energy system serve as a
81.27 visible learning tool for students, teachers, and visitors to the school, including how the
81.28 solar energy system may be integrated into the school's curriculum;

81.29 (7) information that demonstrates the school district's need for financial assistance
81.30 available under this section;

82.1 (8) information that demonstrates the readiness of the school district to implement the
 82.2 project, including but not limited to the availability of the land to install the solar energy
 82.3 system on, and the level of the school district's engagement with the utility providing electric
 82.4 service to the school building where the solar energy system is to be installed with respect
 82.5 to issues relevant to the implementation of the project, including metering and other issues;

82.6 (9) the developer's willingness and ability to pay employees and contractors prevailing
 82.7 wage; and

82.8 (10) any other information deemed relevant by the commissioner.

82.9 (c) As a condition of a site permit for construction, the commission may require the
 82.10 recipient, including their construction contractors and subcontractors, to pay the prevailing
 82.11 wage rate as defined in section 177.42.

82.12 Subd. 9. **Energy conservation review.** At the commissioner's request, prior to a grant
 82.13 award under this section the school district must provide the commissioner information
 82.14 regarding energy conservation measures implemented at the school building where the solar
 82.15 energy system is to be installed. The commissioner may make recommendations to the
 82.16 school district regarding cost-effective conservation measures it may implement and may
 82.17 provide technical assistance and direct the school district to available financial assistance
 82.18 programs.

82.19 Subd. 10. **Commissioner duties.** The commissioner must:

82.20 (1) provide technical assistance to school districts to develop and execute projects; and

82.21 (2) convene an advisory committee composed of representatives of solar energy
 82.22 developers, school districts, and investors to develop procedures and policies that result in
 82.23 the successful operation of the program established under this section.

82.24 Subd. 11. **Grant payments.** The commissioner must use grant money to buy down lease
 82.25 payments for the school district to (1) decrease the school district's lease period, and (2)
 82.26 enable the school district to obtain full ownership rights over the solar energy system.

82.27 **EFFECTIVE DATE.** This section is effective July 1, 2019.

83.1 **ARTICLE 13**83.2 **UNCLAIMED PROPERTY; GENERAL**83.3 Section 1. **[345A.101] DEFINITIONS.**

83.4 (1) For the purposes of this chapter, the terms defined in this section have the meanings
83.5 given them.

83.6 (2) "Administrator" means the commissioner of commerce.

83.7 (3) "Administrator's agent" means a person with which the administrator contracts to
83.8 conduct an examination under this chapter on behalf of the administrator. The term includes
83.9 an independent contractor of the person and each individual participating in the examination
83.10 on behalf of the person or contractor.

83.11 (4) "Affiliated group of merchants" means two or more affiliated merchants or other
83.12 persons that are related by common ownership or common corporate control and that share
83.13 the same name, mark, or logo. Affiliated group of merchants also applies to two or more
83.14 merchants or other persons that agree among themselves, by contract or otherwise, to redeem
83.15 cards, codes, or other devices bearing the same name, mark, or logo, other than the mark,
83.16 logo, or brand of a payment network, for the purchase of goods or services solely at such
83.17 merchants or persons. However, merchants or other persons are not considered affiliated
83.18 merely because they agree to accept a card that bears the mark, logo, or brand of a payment
83.19 network.

83.20 (5) "Apparent owner" means a person whose name appears on the records of a holder
83.21 as the owner of property held, issued, or owing by the holder.

83.22 (6) "Business association" means a corporation, joint stock company, investment
83.23 company, other than an investment company registered under the Investment Company Act
83.24 of 1940, as amended, United States Code, title 15, sections 80a-1 to 80a-64, partnership,
83.25 unincorporated association, joint venture, limited liability company, business trust, trust
83.26 company, land bank, safe deposit company, safekeeping depository, financial organization,
83.27 insurance company, federally chartered entity, utility, sole proprietorship, or other business
83.28 entity, whether or not for profit.

83.29 (7) "District court" means Ramsey County District Court.

83.30 (8) "Domicile" means:

83.31 (A) for a corporation, the state of its incorporation;

84.1 (B) for a business association whose formation requires a filing with a state, other than
84.2 a corporation, the state of its filing;

84.3 (C) for a federally chartered entity or an investment company registered under the
84.4 Investment Company Act of 1940, as amended, United States Code, title 15, sections 80a-1
84.5 to 80a-64, the state of its home office; and

84.6 (D) for any other holder, the state of its principal place of business.

84.7 (9) "Electronic" means relating to technology having electrical, digital, magnetic, wireless,
84.8 optical, electromagnetic, or similar capabilities.

84.9 (10) "E-mail" means a communication by electronic means which is automatically
84.10 retained and stored and may be readily accessed or retrieved.

84.11 (11) "Financial organization" means a savings and loan association, building and loan
84.12 association, savings bank, industrial bank, bank, banking organization, or credit union.

84.13 (12) "Game-related digital content" means digital content that exists only in an electronic
84.14 game or electronic-game platform. The term:

84.15 (A) includes:

84.16 i. game-play currency such as a virtual wallet, even if denominated in United States
84.17 currency; and

84.18 ii. the following if for use or redemption only within the game or platform or another
84.19 electronic game or electronic-game platform:

84.20 1. points sometimes referred to as gems, tokens, gold, and similar names; and

84.21 2. digital codes; and

84.22 (B) does not include an item that the issuer:

84.23 i. permits to be redeemed for use outside a game or platform for:

84.24 ii. money; or

84.25 iii. goods or services that have more than minimal value; or

84.26 iv. otherwise monetizes for use outside a game or platform.

84.27 (13) "Gift card" means:

84.28 (A) a stored-value card:

84.29 i. issued on a prepaid basis for a specified amount;

85.1 ii. the value of which does not expire;

85.2 iii. that is not subject to a dormancy, inactivity, or service fee;

85.3 iv. that may be decreased in value only by redemption for merchandise, goods, or services
85.4 upon presentation at a single merchant or an affiliated group of merchants;

85.5 v. that, unless required by law, may not be redeemed for or converted into money or
85.6 otherwise monetized by the issuer; and

85.7 (B) includes a prepaid commercial mobile radio service, as defined in Code of Federal
85.8 Regulations, title 47, section 20.3, as amended.

85.9 (14) "Holder" means a person obligated to hold for the account of, or to deliver or pay
85.10 to, the owner, property subject to this chapter.

85.11 (15) "Insurance company" means an association, corporation, or fraternal or
85.12 mutual-benefit organization, whether or not for profit, engaged in the business of providing
85.13 life endowments, annuities, or insurance, including accident, burial, casualty, credit-life,
85.14 contract-performance, dental, disability, fidelity, fire, health, hospitalization, illness, life,
85.15 malpractice, marine, mortgage, surety, wage-protection, and worker-compensation insurance.

85.16 (16) "Loyalty card" means a record given without direct monetary consideration under
85.17 an award, reward, benefit, loyalty, incentive, rebate, or promotional program which may
85.18 be used or redeemed only to obtain goods or services or a discount on goods or services.
85.19 Loyalty card does not include a record that may be redeemed for money or otherwise
85.20 monetized by the issuer.

85.21 (17) "Mineral" means gas, oil, coal, oil shale, other gaseous liquid or solid hydrocarbon,
85.22 cement material, sand and gravel, road material, building stone, chemical raw material,
85.23 gemstone, fissionable and nonfissionable ores, colloidal and other clay, steam and other
85.24 geothermal resources, and any other substance defined as a mineral by law of this state other
85.25 than this chapter.

85.26 (18) "Mineral proceeds" means an amount payable for extraction, production, or sale of
85.27 minerals, or, on the abandonment of the amount, an amount that becomes payable after
85.28 abandonment. Mineral proceeds includes an amount payable:

85.29 (A) for the acquisition and retention of a mineral lease, including a bonus, royalty,
85.30 compensatory royalty, shut-in royalty, minimum royalty, and delay rental;

85.31 (B) for the extraction, production, or sale of minerals, including a net revenue interest,
85.32 royalty, overriding royalty, extraction payment, and production payment; and

86.1 (C) under an agreement or option, including a joint-operating agreement, unit agreement,
86.2 pooling agreement, and farm-out agreement.

86.3 (19) "Money order" means a payment order for a specified amount of money. Money
86.4 order includes an express money order and a personal money order on which the remitter
86.5 is the purchaser.

86.6 (20) "Municipal bond" means a bond or evidence of indebtedness issued by a municipality
86.7 or other political subdivision of a state.

86.8 (21) "Net card value" means the original purchase price or original issued value of a
86.9 stored-value card, plus amounts added to the original price or value, minus amounts used
86.10 and any service charge, fee, or dormancy charge permitted by law.

86.11 (22) "Nonfreely transferable security" means a security that cannot be delivered to the
86.12 administrator by the Depository Trust Clearing Corporation or similar custodian of securities
86.13 providing post-trade clearing and settlement services to financial markets or cannot be
86.14 delivered because there is no agent to effect transfer. Nonfreely transferable security includes
86.15 a worthless security.

86.16 (23) "Owner" means a person that has a legal, beneficial, or equitable interest in property
86.17 subject to this chapter or the person's legal representative when acting on behalf of the
86.18 owner. Owner includes:

86.19 (A) a depositor, for a deposit;

86.20 (B) a beneficiary, for a trust other than a deposit in trust;

86.21 (C) a creditor, claimant, or payee, for other property; and

86.22 (D) the lawful bearer of a record that may be used to obtain money, a reward, or a thing
86.23 of value.

86.24 (24) "Payroll card" means a record that evidences a payroll card account as defined in
86.25 Regulation E, Code of Federal Regulations, title 12, part 1005, as amended.

86.26 (25) "Person" means an individual, estate, business association, public corporation,
86.27 government or governmental subdivision, agency, instrumentality, or other legal entity
86.28 whether or not for profit.

86.29 (26) "Property" means tangible property described in section 345A.205 or a fixed and
86.30 certain interest in intangible property held, issued, or owed in the course of a holder's business
86.31 or by a government, governmental subdivision, agency, or instrumentality. Property:

86.32 (A) includes all income from or increments to the property;

- 87.1 (B) includes property referred to as or evidenced by:
- 87.2 i. money, virtual currency, interest, dividend, check, draft, deposit, or payroll card;
- 87.3 ii. a credit balance, customer's overpayment, stored-value card, security deposit, refund,
- 87.4 credit memorandum, unpaid wage, unused ticket for which the issuer has an obligation to
- 87.5 provide a refund, mineral proceeds, or unidentified remittance;
- 87.6 iii. a security except for:
- 87.7 1. a worthless security; or
- 87.8 2. a security that is subject to a lien, legal hold, or restriction evidenced on the records
- 87.9 of the holder or imposed by operation of law, if the lien, legal hold, or restriction restricts
- 87.10 the holder's or owner's ability to receive, transfer, sell, or otherwise negotiate the security;
- 87.11 iv. a bond, debenture, note, or other evidence of indebtedness;
- 87.12 v. money deposited to redeem a security, make a distribution, or pay a dividend;
- 87.13 vi. an amount due and payable under an annuity contract or insurance policy; and
- 87.14 vii. an amount distributable from a trust or custodial fund established under a plan to
- 87.15 provide health, welfare, pension, vacation, severance, retirement, death, stock purchase,
- 87.16 profit-sharing, employee savings, supplemental unemployment insurance, or a similar
- 87.17 benefit; and
- 87.18 (C) does not include:
- 87.19 i. property held in a plan described in section 529A of the Internal Revenue Code, as
- 87.20 amended, United States Code, title 26, section 529A;
- 87.21 ii. game-related digital content;
- 87.22 iii. a loyalty card;
- 87.23 iv. a gift card; or
- 87.24 v. money held or owing by a public pension fund enumerated in section 356.20,
- 87.25 subdivision 2, or 356.30, subdivision 3; or covered by sections 69.77 or 69.771 to 69.776,
- 87.26 if the plan governing the public pension fund includes a provision governing the disposition
- 87.27 of unclaimed amounts of money.
- 87.28 (27) "Putative holder" means a person believed by the administrator to be a holder, until
- 87.29 the person pays or delivers to the administrator property subject to this chapter or the
- 87.30 administrator or a court makes a final determination that the person is or is not a holder.

88.1 (28) "Record" means information that is inscribed on a tangible medium or that is stored
88.2 in an electronic or other medium and is retrievable in perceivable form. "Records of the
88.3 holder" includes records maintained by a third party that has contracted with the holder.

88.4 (29) "Security" means:

88.5 (A) a security as defined in article 8 of the Uniform Commercial Code, section 336.8-102;

88.6 (B) a security entitlement as defined in article 8 of the Uniform Commercial Code,
88.7 section 336.8-102, including a customer security account held by a registered broker-dealer,
88.8 to the extent the financial assets held in the security account are not:

88.9 i. registered on the books of the issuer in the name of the person for which the
88.10 broker-dealer holds the assets;

88.11 ii. payable to the order of the person; or

88.12 iii. specifically endorsed to the person; or

88.13 (C) an equity interest in a business association not included in subparagraph (A) or (B).

88.14 (30) "State" means a state of the United States, the District of Columbia, the
88.15 Commonwealth of Puerto Rico, the United States Virgin Islands, or any territory or insular
88.16 possession subject to the jurisdiction of the United States.

88.17 (31) "Stored-value card" means a record evidencing a promise made for consideration
88.18 by the seller or issuer of the record that goods, services, or money will be provided to the
88.19 owner of the record to the value or amount shown in the record. Stored-value card:

88.20 (A) includes:

88.21 i. a record that contains or consists of a microprocessor chip, magnetic strip, or other
88.22 means for the storage of information, which is prefunded and whose value or amount is
88.23 decreased on each use and increased by payment of additional consideration; and

88.24 ii. a payroll card; and

88.25 (B) does not include a loyalty card, gift card, or game-related digital content.

88.26 (32) "Utility" means a person that owns or operates for public use a plant, equipment,
88.27 real property, franchise, or license for the following public services:

88.28 (A) transmission of communications or information;

88.29 (B) production, storage, transmission, sale, delivery, or furnishing of electricity, water,
88.30 steam, or gas; or

89.1 (C) provision of sewage or septic services, or trash, garbage, or recycling disposal.

89.2 (33) "Virtual currency" means a digital representation of value used as a medium of
 89.3 exchange, unit of account, or store of value, which does not have legal tender status
 89.4 recognized by the United States. Virtual currency does not include:

89.5 (A) the software or protocols governing the transfer of the digital representation of value;

89.6 (B) game-related digital content; or

89.7 (C) a loyalty card or gift card.

89.8 (34) "Worthless security" means a security whose cost of liquidation and delivery to the
 89.9 administrator would exceed the value of the security on the date a report is due under this
 89.10 chapter.

89.11 **Sec. 2. [345A.102] INAPPLICABILITY TO FOREIGN TRANSACTION.**

89.12 This chapter does not apply to property held, due, and owing in a foreign country if the
 89.13 transaction out of which the property arose was a foreign transaction.

89.14 **ARTICLE 14**

89.15 **UNCLAIMED PROPERTY; PRESUMPTION OF ABANDONMENT**

89.16 **Section 1. [345A.201] WHEN PROPERTY PRESUMED ABANDONED.**

89.17 Subject to section 345A.210, the following property is presumed abandoned if it is
 89.18 unclaimed by the apparent owner during the period specified below:

89.19 (1) a traveler's check, 15 years after issuance;

89.20 (2) a money order, seven years after issuance;

89.21 (3) cooperative property, including any profit distribution or other sum held or owing
 89.22 by a cooperative to a participating patron is presumed abandoned only if it has remained
 89.23 unclaimed by the owner for more than seven years after it became payable or distributable;

89.24 (4) a state or municipal bond, bearer bond, or original-issue discount bond, three years
 89.25 after the earliest of the date the bond matures or is called or the obligation to pay the principal
 89.26 of the bond arises;

89.27 (5) a debt of a business association, three years after the obligation to pay arises;

89.28 (6) demand, savings, or time deposit, including a deposit that is automatically renewable,
 89.29 three years after the later of the maturity or the date of the last indication of interest in the
 89.30 property by the apparent owner, except a deposit that is automatically renewable is deemed

90.1 matured three years after its initial date of maturity unless the apparent owner consented to
90.2 renewal in a record on file with the holder at or about the time of the renewal;

90.3 (7) money or a credit owed to a customer as a result of a retail business transaction, other
90.4 than in-store credit for returned merchandise, three years after the obligation arose;

90.5 (8) an amount owed by an insurance company on a life or endowment insurance policy
90.6 or an annuity contract that has matured or terminated, three years after the obligation to pay
90.7 arose under the terms of the policy or contract or, if a policy or contract for which an amount
90.8 is owed on proof of death has not matured by proof of the death of the insured or annuitant,
90.9 as follows:

90.10 (A) with respect to an amount owed on a life or endowment insurance policy, the earlier
90.11 of:

90.12 i. three years after the death of the insured; or

90.13 ii. two years after the insured has attained, or would have attained if living, the limiting
90.14 age under the mortality table in which the reserve for the policy is based; and

90.15 (B) with respect to an amount owed on an annuity contract, three years after the date of
90.16 the death of the annuitant;

90.17 (9) funds on deposit or held in trust for the prepayment of funeral or other funeral-related
90.18 expenses, the earliest of:

90.19 (A) two years after the date of death of the beneficiary;

90.20 (B) one year after the date the beneficiary has attained, or would have attained if living,
90.21 the age of 105 where the holder does not know whether the beneficiary is deceased; or

90.22 (C) 30 years after the contract for prepayment was executed;

90.23 (10) property distributable by a business association in the course of dissolution, one
90.24 year after the property becomes distributable;

90.25 (11) property held by a court, including property received as proceeds of a class action,
90.26 three years after the property becomes distributable;

90.27 (12) property held by a government or governmental subdivision, agency, or
90.28 instrumentality, including municipal bond interest and unredeemed principal under the
90.29 administration of a paying agent or indenture trustee, one year after the property becomes
90.30 distributable;

91.1 (13) wages, commissions, bonuses, or reimbursements to which an employee is entitled,
 91.2 or other compensation for personal services, including amounts held on a payroll card, one
 91.3 year after the amount becomes payable;

91.4 (14) a deposit or refund owed to a subscriber by a utility, one year after the deposit or
 91.5 refund becomes payable; and

91.6 (15) property not specified in this section or sections 345A.202 to 345A.208, the earlier
 91.7 of three years after the owner first has a right to demand the property or the obligation to
 91.8 pay or distribute the property arises.

91.9 Notwithstanding any provision in this section to the contrary, and subject to section
 91.10 345A.210, a deceased owner cannot indicate interest in the owner's property. If the owner
 91.11 is deceased and the abandonment period for the owner's property specified in this section
 91.12 is greater than two years, then the property, excluding any amounts owed by an insurance
 91.13 company on a life or endowment insurance policy or an annuity contract that has matured
 91.14 or terminated, shall instead be presumed abandoned two years from the date of the owner's
 91.15 last indication of interest in the property.

91.16 **Sec. 2. [345A.202] WHEN TAX-DEFERRED RETIREMENT ACCOUNT**
 91.17 **PRESUMED ABANDONED.**

91.18 (a) Subject to section 345A.210, property held in a pension account or retirement account
 91.19 that qualifies for tax deferral under the income tax laws of the United States is presumed
 91.20 abandoned if it is unclaimed by the apparent owner after the later of:

91.21 (1) three years after the following dates:

91.22 (A) except as in subparagraph (B), the date a communication sent by the holder by
 91.23 first-class United States mail to the apparent owner is returned to the holder undelivered by
 91.24 the United States Postal Service; or

91.25 (B) if such communication is re-sent within 30 days after the date the first communication
 91.26 is returned undelivered, the date the second communication was returned undelivered by
 91.27 the United States Postal Service; or

91.28 (2) the earlier of the following dates:

91.29 (A) three years after the date the apparent owner becomes 70.5 years of age, if
 91.30 determinable by the holder; or

92.1 (B) one year after the date of mandatory distribution following death if the Internal
92.2 Revenue Code, as amended, United States Code, title 26, section 1, et seq., requires
92.3 distribution to avoid a tax penalty and the holder:

92.4 (i) receives confirmation of the death of the apparent owner in the ordinary course of
92.5 its business; or

92.6 (ii) confirms the death of the apparent owner under subsection (b).

92.7 (b) If a holder in the ordinary course of its business receives notice or an indication of
92.8 the death of an apparent owner and subsection (a)(2) applies, the holder shall attempt, not
92.9 later than 90 days after receipt of the notice or indication, to confirm whether the apparent
92.10 owner is deceased.

92.11 (c) If the holder does not send communications to the apparent owner of an account
92.12 described in subsection (a) by first-class United States mail, the holder shall attempt to
92.13 confirm the apparent owner's interest in the property by sending the apparent owner an
92.14 e-mail communication not later than two years after the apparent owner's last indication of
92.15 interest in the property; however, the holder promptly shall attempt to contact the apparent
92.16 owner by first-class United States mail if:

92.17 (1) the holder does not have information needed to send the apparent owner an e-mail
92.18 communication or the holder believes that the apparent owner's e-mail address in the holder's
92.19 records is not valid;

92.20 (2) the holder receives notification that the e-mail communication was not received; or

92.21 (3) the apparent owner does not respond to the e-mail communication not later than 30
92.22 days after the communication was sent.

92.23 (d) If first-class United States mail sent under subsection (c) is returned to the holder
92.24 undelivered by the United States Postal Service, the property is presumed abandoned three
92.25 years after the later of:

92.26 (1) except as in paragraph (2), the date a communication to contact the apparent owner
92.27 sent by first-class United States mail is returned to the holder undelivered;

92.28 (2) if such communication is sent later than 30 days after the date the first communication
92.29 is returned undelivered, the date the second communication was returned undelivered; or

92.30 (3) the date established by subsection (a)(2).

93.1 Sec. 3. **[345A.203] WHEN OTHER TAX-DEFERRED ACCOUNT PRESUMED**
93.2 **ABANDONED.**

93.3 (a) Subject to section 345A.210 and except for property described in section 345A.202
93.4 and property held in a plan described in section 529A of the Internal Revenue Code, as
93.5 amended; United States Code, title 26, section 529A, property held in an account or plan,
93.6 including a health savings account, that qualifies for tax deferral under the income tax laws
93.7 of the United States is presumed abandoned if it is unclaimed by the apparent owner three
93.8 years after the earlier of:

93.9 (1) the date, if determinable by the holder, specified in the income tax laws and
93.10 regulations of the United States by which distribution of the property must begin to avoid
93.11 a tax penalty, with no distribution having been made; or

93.12 (2) 30 years after the date the account was opened.

93.13 (b) If the owner is deceased, property subject to this section is presumed abandoned two
93.14 years from the earliest of:

93.15 (1) the date of the distribution or attempted distribution of the property;

93.16 (2) the date the required distribution as stated in the plan or trust agreement governing
93.17 the plan; or

93.18 (3) the date, if determinable by the holder, specified in the income tax laws of the United
93.19 States by which distribution of the property must begin in order to avoid a tax penalty.

93.20 Sec. 4. **[345A.204] WHEN CUSTODIAL ACCOUNT FOR MINOR PRESUMED**
93.21 **ABANDONED.**

93.22 (a) Subject to section 345A.210, property held in an account established under a state's
93.23 Uniform Gifts to Minors Act or Uniform Transfers to Minors Act is presumed abandoned
93.24 if it is unclaimed by or on behalf of the minor on whose behalf the account was opened
93.25 three years after the later of:

93.26 (1) except as in paragraph (2), the date a communication sent by the holder by first-class
93.27 United States mail to the custodian of the minor on whose behalf the account was opened
93.28 is returned undelivered to the holder by the United States Postal Service;

93.29 (2) if the communication is re-sent later than 30 days after the date the first
93.30 communication is returned undelivered, the date the second communication was returned
93.31 undelivered; or

94.1 (3) the date on which the custodian is required to transfer the property to the minor or
 94.2 the minor's estate in accordance with the Uniform Gifts to Minors Act or Uniform Transfers
 94.3 to Minors Act of the state in which the account was opened.

94.4 (b) If the holder does not send communications to the custodian of the minor on whose
 94.5 behalf an account described in subsection (a) was opened by first-class United States mail,
 94.6 the holder shall attempt to confirm the custodian's interest in the property by sending the
 94.7 custodian an e-mail communication not later than two years after the custodian's last
 94.8 indication of interest in the property; however, the holder promptly shall attempt to contact
 94.9 the custodian by first-class United States mail if:

94.10 (1) the holder does not have information needed to send the custodian an e-mail
 94.11 communication or the holder believes that the custodian's e-mail address in the holder's
 94.12 records is not valid;

94.13 (2) the holder receives notification that the e-mail communication was not received; or

94.14 (3) the custodian does not respond to the e-mail communication not later than 30 days
 94.15 after the communication was sent.

94.16 (c) If first-class United States mail sent under subsection (b) is returned undelivered to
 94.17 the holder by the United States Postal Service, the property is presumed abandoned three
 94.18 years after the later of:

94.19 (1) the date a communication to contact the custodian by first-class United States mail
 94.20 is returned to the holder undelivered by the United States Postal Service; or

94.21 (2) the date established by subsection (a)(3).

94.22 (d) When the property in the account described in subsection (a) is transferred to the
 94.23 minor on whose behalf an account was opened or to the minor's estate, the property in the
 94.24 account is no longer subject to this section.

94.25 **Sec. 5. [345A.205] WHEN CONTENTS OF SAFE DEPOSIT BOX PRESUMED**
 94.26 **ABANDONED.**

94.27 Tangible property held in a safe deposit box and proceeds from a sale of the property
 94.28 by the holder permitted by law of this state other than this chapter are presumed abandoned
 94.29 if the property remains unclaimed by the apparent owner five years after the earlier of the:

94.30 (1) expiration of the lease or rental period for the safe deposit box; or

95.1 (2) earliest date when the lessor of the safe deposit box is authorized by law of this state
95.2 other than this chapter to enter the safe deposit box and remove or dispose of the contents
95.3 without consent or authorization of the lessee.

95.4 **Sec. 6. [345A.206] WHEN STORED-VALUE CARD PRESUMED ABANDONED.**

95.5 (a) Subject to section 345A.210, the net card value of a stored-value card, other than a
95.6 payroll card or a gift card, is presumed abandoned on the latest of three years after:

95.7 (1) December 31 of the year in which the card is issued or additional funds are deposited
95.8 into it;

95.9 (2) the most recent indication of interest in the card by the apparent owner; or

95.10 (3) a verification or review of the balance by or on behalf of the apparent owner.

95.11 (b) The amount presumed abandoned in a stored-value card is the net card value at the
95.12 time it is presumed abandoned.

95.13 (c) If a holder has reported and remitted to the administrator the net card value on a
95.14 stored-value card presumed abandoned under this section and the stored-value card does
95.15 not have an expiration date, then the holder must honor the card on presentation indefinitely
95.16 and may then request reimbursement from the administrator under section 345A.605.

95.17 **Sec. 7. [345A.208] WHEN SECURITY PRESUMED ABANDONED.**

95.18 (a) Subject to section 345A.210, a security is presumed abandoned after the earlier of
95.19 the following:

95.20 (1) three years after the date a communication sent by the holder by first-class United
95.21 States mail to the apparent owner is returned to the holder undelivered by the United States
95.22 Postal Service or if such communication is re-sent no later than 30 days after the first
95.23 communication is returned, the date the second communication is returned undelivered to
95.24 the holder by the United States Postal Service; or

95.25 (2) five years after the date of the apparent owner's last indication of interest in the
95.26 security.

95.27 (b) If the holder does not send communications to the apparent owner of a security by
95.28 first-class United States mail, the holder shall attempt to confirm the apparent owner's
95.29 interest in the security by sending the apparent owner an e-mail communication not later
95.30 than two years after the apparent owner's last indication of interest in the security; however,

96.1 the holder promptly shall attempt to contact the apparent owner by first-class United States
 96.2 mail if:

96.3 (1) the holder does not have information needed to send the apparent owner an e-mail
 96.4 communication or the holder believes that the apparent owner's e-mail address in the holder's
 96.5 records is not valid;

96.6 (2) the holder receives notification that the e-mail communication was not received; or

96.7 (3) the apparent owner does not respond to the e-mail communication not later than 30
 96.8 days after the communication was sent.

96.9 (c) If first-class United States mail sent under subsection (b) is returned to the holder
 96.10 undelivered by the United States Postal Service, the security is presumed abandoned in
 96.11 accordance with subsection (a)(2).

96.12 (d) If a holder, in the ordinary course of business, receives notice or an indication of the
 96.13 death of an apparent owner, the holder shall attempt, not later than 90 days after receipt of
 96.14 the notice or indication, to confirm whether the apparent owner is deceased. Notwithstanding
 96.15 the standards set forth in subsections (a), (b), and (c), if the holder either receives
 96.16 confirmation of the death of the apparent owner in the ordinary course of business or confirms
 96.17 the death of the apparent owner under this subsection, then the property shall be presumed
 96.18 abandoned two years after the date of the owner's death.

96.19 **Sec. 8. [345A.209] WHEN RELATED PROPERTY PRESUMED ABANDONED.**

96.20 At and after the time property is presumed abandoned under this chapter, any other
 96.21 property right or interest accrued or accruing from the property and not previously presumed
 96.22 abandoned is also presumed abandoned.

96.23 **Sec. 9. [345A.210] INDICATION OF APPARENT OWNER INTEREST IN**
 96.24 **PROPERTY.**

96.25 (a) The period after which property is presumed abandoned is measured from the later:

96.26 (1) the date the property is presumed abandoned under sections 345A.201 to 345A.211;

96.27 or

96.28 (2) the latest indication of interest by the apparent owner in the property.

96.29 (b) Under this chapter, an indication of an apparent owner's interest in property includes:

96.30 (1) a record communicated by the apparent owner to the holder or agent of the holder
 96.31 concerning the property or the account in which the property is held;

97.1 (2) an oral communication by the apparent owner to the holder or agent of the holder
97.2 concerning the property or the account in which the property is held, if the holder or its
97.3 agent contemporaneously makes and preserves a record of the fact of the apparent owner's
97.4 communication;

97.5 (3) presentment of a check or other instrument of payment of a dividend, interest payment,
97.6 or other distribution, or evidence of receipt of a distribution made by electronic or similar
97.7 means, with respect to an account, underlying security, or interest in a business association.

97.8 (4) activity directed by an apparent owner in the account in which the property is held,
97.9 including accessing the account or information concerning the account, or a direction by
97.10 the apparent owner to increase, decrease, or otherwise change the amount or type of property
97.11 held in the account;

97.12 (5) a deposit into or withdrawal from an account at a financial organization, except for
97.13 an automatic debit or credit previously authorized by the apparent owner or an automatic
97.14 reinvestment of dividends or interest; and

97.15 (6) subject to subsection (e), payment of a premium on an insurance policy.

97.16 (c) An action by an agent or other representative of an apparent owner, other than the
97.17 holder acting as the apparent owner's agent, is presumed to be an action on behalf of the
97.18 apparent owner.

97.19 (d) A communication with an apparent owner by a person other than the holder or the
97.20 holder's representative is not an indication of interest in the property by the apparent owner
97.21 unless a record of the communication evidences the apparent owner's knowledge of a right
97.22 to the property.

97.23 (e) If the insured dies or the insured or beneficiary of an insurance policy otherwise
97.24 becomes entitled to the proceeds before depletion of the cash surrender value of the policy
97.25 by operation of an automatic premium loan provision or other nonforfeiture provision
97.26 contained in the policy, the operation does not prevent the policy from maturing or
97.27 terminating.

97.28 (f) If the apparent owner has other property with the holder to which section 345A.201,
97.29 paragraph (6), applies, the activity directed by the apparent owner toward any other accounts,
97.30 including but not limited to loan accounts, at the financial organization holding an inactive
97.31 account of the apparent owner shall be an indication of interest in all such accounts if:

97.32 (1) the apparent owner engages in one or more of the following activities:

98.1 (A) the apparent owner undertakes one or more of the actions described in subsection
 98.2 (b) regarding an account that appears on a consolidated statement with the inactive account;

98.3 (B) the apparent owner increases or decreases the amount of funds in any other account
 98.4 the apparent owner has with the financial organization; or

98.5 (C) the apparent owner engages in any other relationship with the financial organization,
 98.6 including payment of any amounts due on a loan; and

98.7 (2) the mailing address for the apparent owner in the financial organization's records is
 98.8 the same for both the inactive account and the active account.

98.9 Sec. 10. **[345A.211] KNOWLEDGE OF DEATH OF INSURED OR ANNUITANT.**

98.10 (a) In this section, "death master file" ("DMF") means the United States Social Security
 98.11 Administration Death Master File or other database or service that is at least as
 98.12 comprehensive as the United States Social Security Administration Death Master File for
 98.13 determining that an individual reportedly has died.

98.14 (b) With respect to a life or endowment insurance policy or annuity contract for which
 98.15 an amount is owed on proof of death, but which has not matured by proof of death of the
 98.16 insured or annuitant, the company has knowledge of the death of an insured or annuitant
 98.17 when:

98.18 (1) the company receives a death certificate or court order determining that the insured
 98.19 or annuitant has died;

98.20 (2) the company receives notice of the death of the insured or annuitant from the
 98.21 administrator or an unclaimed property administrator of another state, a beneficiary, a policy
 98.22 owner, a relative of the insured, a representative under the Probate Act of 1975, or an
 98.23 executor or other legal representative of the insured's or annuitant's estate and validates the
 98.24 death of the insured or annuitant;

98.25 (3) the company conducts a comparison for any purpose between a DMF and the names
 98.26 of some or all of the company's insureds or annuitants, finds a match that provides notice
 98.27 that the insured or annuitant has died, and validates the death; or

98.28 (4) the administrator or the administrator's agent conducts a comparison for the purpose
 98.29 of finding matches during an examination conducted under this chapter between a DMF
 98.30 and the names of some or all of the company's insureds or annuitants, and finds a match
 98.31 that provides notice that the insured or annuitant has died.

99.1 (c) A holder shall perform a comparison of its insureds' in-force policies, annuity
99.2 contracts, and retained asset accounts against a DMF on at least a semiannual basis by using
99.3 the full DMF once and thereafter using DMF updated files for future comparisons to identify
99.4 potential matches of its insureds.

99.5 (d) A death master file match under subsection (b)(3) or (4) occurs if the criteria for an
99.6 exact or partial match are satisfied.

99.7 (1) an exact match occurs when the Social Security number, first and last name, and
99.8 date of birth contained in the holder's records matches exactly to the data contained in the
99.9 DMF;

99.10 (2) a partial match occurs in any of the following circumstances:

99.11 (A) when the Social Security number contained in the data found in the holder's records
99.12 matches exactly or in accordance with the fuzzy match criteria listed below to the Social
99.13 Security number contained in the DMF, the first and last names match either exactly or in
99.14 accordance with the fuzzy match criteria listed below, and the date of birth matches exactly
99.15 or in accordance with the fuzzy match criteria listed below;

99.16 (B) when the holder's records do not include a Social Security number or where the
99.17 Social Security number is incomplete or otherwise invalid, and there is a first name, last
99.18 name, and date of birth combination in the holder's data that is a match against the data
99.19 contained in the DMF where the first and last names match either exactly or in accordance
99.20 with the fuzzy match criteria listed below and the date of birth matches exactly or in
99.21 accordance with the fuzzy match criteria listed below;

99.22 (C) if there is more than one potentially matched individual returned as a result of the
99.23 process described in paragraphs (A) and (B) above, the holder shall search the Social Security
99.24 numbers obtained from the DMF for the potential matched individuals against Accurint for
99.25 Insurance or an equivalent database. If a search of those databases shows that the DMF
99.26 Social Security number is listed at the address in the holder's records for the insured, a
99.27 partial match will be considered to have been made only for individuals with a matching
99.28 address;

99.29 (D) fuzzy match criteria includes the following:

99.30 (i) a first name fuzzy match includes one or more of the following: a nickname; an initial
99.31 instead of a full first name; accepted industry standard phonetic name-matching algorithm;
99.32 data entry mistakes with a maximum difference of one character with at least five characters
99.33 in length; a first and last name are provided and cannot be reliably distinguished from one

100.1 another; use of interchanged first name and middle name; a misused compound name; and
100.2 the use of a "Mrs." in conjunction with a spouse's name where the date of birth and Social
100.3 Security number match exactly and the last name matches exactly or in accordance with
100.4 the fuzzy match criteria listed herein;

100.5 (ii) a last name fuzzy match includes one or more of the following: Anglicized forms
100.6 of last names; compound last name; blank spaces in last name; accepted industry standard
100.7 phonetic name-matching algorithm; a first and last name are provided and cannot be reliably
100.8 distinguished from one another; use of apostrophe or other punctuation; data entry mistakes
100.9 with a maximum difference of one character for last name with at least eight characters in
100.10 length; and married female last name variations;

100.11 (iii) a date of birth fuzzy match includes one of the following: two dates with a maximum
100.12 of two digits in difference, but only one entry mistake per full date is allowable; transposition
100.13 of the month and date portion of the date of birth; if the holder's records do not contain a
100.14 complete date of birth, then a fuzzy match date of birth will be found to exist where the data
100.15 available in the holder's records does not conflict with the data contained in the DMF; if
100.16 the holder provided a first and last name match, either exactly or in accordance with the
100.17 fuzzy match criteria herein and the Social Security number matches exactly against the
100.18 DMF, the date of birth is a fuzzy match if the holder provided a date of birth that is within
100.19 two years of the DMF-listed date of birth;

100.20 (iv) a Social Security number fuzzy match includes one of the following: two Social
100.21 Security numbers with a maximum of two digits in difference, any number position; two
100.22 consecutive numbers are transposed; and the Social Security number is less than nine digits
100.23 in length, but at least seven digits, and is entirely embedded within the other Social Security
100.24 number;

100.25 (3) the DMF match does not constitute proof of death for the purpose of submission to
100.26 an insurance company of a claim by a beneficiary, annuitant, or owner of the policy or
100.27 contract for an amount due under an insurance policy or annuity contract;

100.28 (4) the DMF match or validation of the insured's or annuitant's death does not alter the
100.29 requirements for a beneficiary, annuitant, or owner of the policy or contract to make a claim
100.30 to receive proceeds under the terms of the policy or contract;

100.31 (5) an insured or an annuitant is presumed dead if the date of the person's death is
100.32 indicated by the DMF match under either subsection (b)(3) or (4), unless the insurer has
100.33 competent and substantial evidence that the person is living, including but not limited to a
100.34 contact made by the insurer with the person or the person's legal representation.

101.1 (e) This chapter does not affect the determination of the extent to which an insurance
101.2 company before the effective date of this chapter had knowledge of the death of an insured
101.3 or annuitant or was required to conduct a DMF comparison to determine whether amounts
101.4 owed by the company on a life or endowment insurance policy or annuity contract were
101.5 presumed abandoned or unclaimed.

101.6 Sec. 11. **[345A.211] DEPOSIT ACCOUNT FOR PROCEEDS OF INSURANCE**
101.7 **POLICY OR ANNUITY CONTRACT.**

101.8 If proceeds payable under a life or endowment insurance policy or annuity contract are
101.9 deposited into an account with check or draft-writing privileges for the beneficiary of the
101.10 policy or contract and, under a supplementary contract not involving annuity benefits other
101.11 than death benefits, the proceeds are retained by the insurance company or the financial
101.12 organization where the account is held, the policy or contract includes the assets in the
101.13 account.

101.14 **ARTICLE 15**
101.15 **UNCLAIMED PROPERTY; RULES FOR TAKING CUSTODY OF PROPERTY**
101.16 **PRESUMED ABANDONED**

101.17 Section 1. **[345A.301] ADDRESS OF APPARENT OWNER TO ESTABLISH**
101.18 **PRIORITY.**

101.19 In sections 345A.301 to 345A.307, the following rules apply:

101.20 (1) The last known address of an apparent owner is any description, code, or other
101.21 indication of the location of the apparent owner which identifies the state, even if the
101.22 description, code, or indication of location is not sufficient to direct the delivery of first-class
101.23 United States mail to the apparent owner.

101.24 (2) If the United States postal zip code associated with the apparent owner is for a post
101.25 office located in this state, this state is deemed to be the state of the last known address of
101.26 the apparent owner unless other records associated with the apparent owner specifically
101.27 identify the physical address of the apparent owner to be in another state.

101.28 (3) If the address under paragraph (2) is in another state, the other state is deemed to be
101.29 the state of the last known address of the apparent owner.

101.30 (4) The address of the apparent owner of a life or endowment insurance policy or annuity
101.31 contract or its proceeds is presumed to be the address of the insured or annuitant if a person
101.32 other than the insured or annuitant is entitled to the amount owed under the policy or contract

102.1 and the address of the other person is not known by the insurance company and cannot be
102.2 determined under section 345A.302.

102.3 **Sec. 2. [345A.302] ADDRESS OF APPARENT OWNER IN THIS STATE.**

102.4 The administrator may take custody of property that is presumed abandoned, whether
102.5 located in this state, another state, or a foreign country, if:

102.6 (1) the last known address of the apparent owner in the records of the holder is in this
102.7 state; or

102.8 (2) the records of the holder do not reflect the identity or last known address of the
102.9 apparent owner, but the administrator has determined that the last known address of the
102.10 apparent owner is in this state.

102.11 **Sec. 3. [345A.303] IF RECORDS SHOW MULTIPLE ADDRESSES OF APPARENT**
102.12 **OWNER.**

102.13 (a) Except as provided in subsection (b), if records of a holder reflect multiple addresses
102.14 for an apparent owner and this state is the state of the last known address, this state may
102.15 take custody of property presumed abandoned, whether located in this state or another state.

102.16 (b) If it appears from records of the holder that the last known address of the apparent
102.17 owner under subsection (a) is a temporary address and this state is the state of the next most
102.18 recently recorded address that is not a temporary address, this state may take custody of the
102.19 property presumed abandoned.

102.20 **Sec. 4. [345A.304] HOLDER DOMICILED IN THIS STATE.**

102.21 (a) Except as provided in subsection (b) or section 345A.302 or 345A.303, the
102.22 administrator may take custody of property presumed abandoned, whether located in this
102.23 state, another state, or a foreign country, if the holder is domiciled in this state, another state,
102.24 or a governmental subdivision, agency, or instrumentality of this state and:

102.25 (1) another state or foreign country is not entitled to the property because there is no last
102.26 known address of the apparent owner or other person entitled to the property in the records
102.27 of the holder; or

102.28 (2) the state or foreign country of the last known address of the apparent owner or other
102.29 person entitled to the property does not provide for custodial taking of the property.

103.1 (b) Property is not subject to custody of the administrator under subsection (a) if the
103.2 property is specifically exempt from custodial taking under the law of this state, another
103.3 state, or foreign country of the last known address of the apparent owner.

103.4 (c) If a holder's state of domicile has changed since the time the property was presumed
103.5 abandoned, the holder's state of domicile in this section is deemed to be the state where the
103.6 holder was domiciled at the time the property was presumed abandoned.

103.7 **Sec. 5. [345A.305] CUSTODY IF TRANSACTION TOOK PLACE IN THIS STATE.**

103.8 Except as provided in sections 345A.302 to 345A.304, the administrator may take custody
103.9 of property presumed abandoned whether located in this state or another state if:

103.10 (1) the transaction out of which the property arose took place in this state;

103.11 (2) the holder is domiciled in a state that does not provide for the custodial taking of the
103.12 property, except that if the property is specifically exempt from custodial taking under the
103.13 law of the state of the holder's domicile, the property is not subject to the custody of the
103.14 administrator; and

103.15 (3) the last known address of the apparent owner or other person entitled to the property
103.16 is unknown or in a state that does not provide for the custodial taking of the property, except
103.17 that if the property is specifically exempt from custodial taking under the law of the state
103.18 of the last known address, the property is not subject to the custody of the administrator.

103.19 **Sec. 6. [345A.306] TRAVELER'S CHECK, MONEY ORDER, OR SIMILAR**
103.20 **INSTRUMENT.**

103.21 The administrator may take custody of sums payable on a traveler's check, money order,
103.22 or similar instrument presumed abandoned to the extent permissible under United States
103.23 Code, title 12, sections 2501 through 2503, as amended.

103.24 **Sec. 7. [345A.307] BURDEN OF PROOF TO ESTABLISH ADMINISTRATOR'S**
103.25 **RIGHT TO CUSTODY.**

103.26 Subject to this chapter, if the administrator asserts a right to custody of unclaimed
103.27 property and there is a dispute concerning such property, the administrator has the initial
103.28 burden to prove:

103.29 (1) the amount of the property;

103.30 (2) the property is presumed abandoned; and

104.1 (3) the property is subject to the custody of the administrator.

104.2 **ARTICLE 16**

104.3 **UNCLAIMED PROPERTY; REPORT BY HOLDER**

104.4 Section 1. **[345A.401] REPORT REQUIRED BY HOLDER.**

104.5 (a) A holder of property presumed abandoned and subject to the custody of the
104.6 administrator shall report in a record to the administrator concerning the property. A holder
104.7 shall submit an electronic report in a format prescribed by, and acceptable to, the
104.8 administrator.

104.9 (b) A holder may contract with a third party to make the report required under subsection
104.10 (a).

104.11 (c) Whether or not a holder contracts with a third party under subsection (b), the holder
104.12 is responsible:

104.13 (1) to the administrator for the complete, accurate, and timely reporting of property
104.14 presumed abandoned; and

104.15 (2) for paying or delivering to the administrator property described in the report.

104.16 Sec. 2. **[345A.402] CONTENT OF REPORT.**

104.17 (a) The report required under section 345A.401 must:

104.18 (1) be signed by or on behalf of the holder and verified as to its completeness and
104.19 accuracy;

104.20 (2) be filed electronically, unless exception is granted, and be in a secure format approved
104.21 by the administrator which protects confidential information of the apparent owner;

104.22 (3) describe the property;

104.23 (4) except for a traveler's check, money order, or similar instrument, contain the name,
104.24 if known, last known address, if known, and Social Security number or taxpayer identification
104.25 number, if known or readily ascertainable, of the apparent owner of property with a value
104.26 of \$50 or more;

104.27 (5) for an amount held or owing under a life or endowment insurance policy or annuity
104.28 contract, contain the name and last known address of the insured, annuitant, or other apparent
104.29 owner of the policy or contract and of the beneficiary;

105.1 (6) for property held in or removed from a safe deposit box, indicate the location of the
105.2 property, and where it may be inspected by the administrator;

105.3 (7) contain the commencement date for determining abandonment under sections
105.4 345A.201 to 345A.211;

105.5 (8) state that the holder has complied with the notice requirements of section 345A.501;

105.6 (9) identify property that is a nonfreely transferable security and explain why it is a
105.7 nonfreely transferable security; and

105.8 (10) contain other information prescribed by the administrator.

105.9 (b) A report under section 345A.401 may include in the aggregate items valued under
105.10 \$50 each. If the report includes items in the aggregate valued under \$50 each, the
105.11 administrator may not require the holder to provide the name and address of an apparent
105.12 owner of an item unless the information is necessary to verify or process a claim in progress
105.13 by the apparent owner.

105.14 (c) A report under section 345A.401 may include personal information as defined in
105.15 section 345A.401(a) about the apparent owner or the apparent owner's property.

105.16 (d) If a holder has changed its name while holding property presumed abandoned or is
105.17 a successor to another person that previously held the property for the apparent owner, the
105.18 holder must include in the report under section 345A.401 its former name or the name of
105.19 the previous holder, if any, and the known name and address of each previous holder of the
105.20 property.

105.21 **Sec. 3. [345A.403] WHEN REPORT TO BE FILED.**

105.22 (a) Except as otherwise provided in subsection (b) and subject to subsection (c), the
105.23 report under section 345A.401 must be filed before November 1 of each year and cover the
105.24 12 months preceding July 1 of that year.

105.25 (b) Subject to subsection (c), the report under section 345A.401 to be filed by an insurance
105.26 company must be filed before May 1 of each year for the immediately preceding calendar
105.27 year.

105.28 (c) Before the date for filing the report under section 345A.401, the holder of property
105.29 presumed abandoned may request the administrator to extend the time for filing. The
105.30 administrator may grant an extension. If the extension is granted, the holder may pay or
105.31 make a partial payment of the amount the holder estimates ultimately will be due. The
105.32 payment or partial payment terminates accrual of interest on the amount paid.

106.1 Sec. 4. **[345A.404] RETENTION OF RECORDS BY HOLDER.**

106.2 A holder required to file a report under section 345A.401 shall retain records for ten
106.3 years after the later of the date the report was filed or the last date a timely report was due
106.4 to be filed, unless a shorter period is provided by rule of the administrator. The holder may
106.5 satisfy the requirement to retain records under this section through an agent. The records
106.6 must contain:

106.7 (1) the information required to be included in the report;

106.8 (2) the date, place, and nature of the circumstances that gave rise to the property right;

106.9 (3) the amount or value of the property;

106.10 (4) the last known address of the apparent owner, if known to the holder; and

106.11 (5) if the holder sells, issues, or provides to others for sale or issue in this state traveler's
106.12 checks, money orders, or similar instruments, other than third-party bank checks, on which
106.13 the holder is directly liable, a record of the instruments while they remain outstanding,
106.14 indicating the state and date of issue.

106.15 Sec. 5. **[345A.405] PROPERTY REPORTABLE AND PAYABLE OR**
106.16 **DELIVERABLE ABSENT OWNER DEMAND.**

106.17 Property is reportable and payable or deliverable under this chapter even if the owner
106.18 fails to make demand or present an instrument or document otherwise required to obtain
106.19 payment.

106.20 **ARTICLE 17**

106.21 **UNCLAIMED PROPERTY; NOTICE TO APPARENT OWNER OF PROPERTY**
106.22 **PRESUMED ABANDONED**

106.23 Section 1. **[345A.501] NOTICE TO APPARENT OWNER BY HOLDER.**

106.24 (a) Subject to subsection (b), the holder of property presumed abandoned shall send to
106.25 the apparent owner notice by first-class United States mail that complies with section
106.26 345A.502 in a format acceptable to the administrator not more than 180 days nor less than
106.27 60 days before filing the report under section 345A.401 if:

106.28 (1) the holder has in its records an address for the apparent owner which the holder's
106.29 records do not disclose to be invalid and is sufficient to direct the delivery of first-class
106.30 United States mail to the apparent owner; and

106.31 (2) the value of the property is \$50 or more.

107.1 (b) If an apparent owner has consented to receive e-mail delivery from the holder, the
107.2 holder shall send the notice described in subsection (a) both by first-class United States
107.3 mail to the apparent owner's last known mailing address and by e-mail, unless the holder
107.4 believes that the apparent owner's e-mail address is invalid.

107.5 (c) The holder of securities presumed abandoned under sections 345A.202, 345A.203,
107.6 or 345A.208 shall send the apparent owner notice by certified United States mail that
107.7 complies with section 345A.502, and in a format acceptable to the administrator, not less
107.8 than 60 days before filing the report under section 345A.401, if:

107.9 (1) the holder has in its records an address for the apparent owner which the holder's
107.10 records do not disclose to be invalid and is sufficient to direct the delivery of United States
107.11 mail to the apparent owner; and

107.12 (2) the value of the property is \$1,000 or more.

107.13 (d) In addition to other indications of an apparent owner's interest in property pursuant
107.14 to section 345A.210, a signed return receipt in response to a notice sent pursuant to this
107.15 section by certified United States mail shall constitute a record communicated by the apparent
107.16 owner to the holder concerning the property or the account in which the property is held.

107.17 **Sec. 2. [345A.502] CONTENTS OF NOTICE BY HOLDER.**

107.18 (a) Notice under section 345A.501 must contain a heading that reads substantially as
107.19 follows: "Notice. The State of Minnesota requires us to notify you that your property may
107.20 be transferred to the custody of the commissioner of commerce if you do not contact us
107.21 before (insert date that is 30 days after the date of this notice)."

107.22 (b) The notice under section 345A.501 must:

107.23 (1) identify the nature and, except for property that does not have a fixed value, the value
107.24 of the property that is the subject of the notice;

107.25 (2) state that the property will be turned over to the administrator;

107.26 (3) state that after the property is turned over to the administrator an apparent owner
107.27 that seeks return of the property must file a claim with the administrator;

107.28 (4) state that property that is not legal tender of the United States may be sold by the
107.29 administrator; and

107.30 (5) provide instructions that the apparent owner must follow to prevent the holder from
107.31 reporting and paying or delivering the property to the administrator.

108.1 Sec. 3. [345A.503] NOTICE BY ADMINISTRATOR.

108.2 (a) The administrator shall give notice to an apparent owner that property presumed
108.3 abandoned and that appears to be owned by the apparent owner is held by the administrator
108.4 under this chapter.

108.5 (b) In providing notice under subsection (a), the administrator shall:

108.6 (1) publish every 12 months in at least one newspaper of general circulation in each
108.7 county in this state notice of property held by the administrator which must include:

108.8 (A) the total value of property received by the administrator during the preceding
108.9 12-month period, taken from the reports under section 345A.401;

108.10 (B) the total value of claims paid by the administrator during the preceding 12-month
108.11 period;

108.12 (C) the Internet address of the unclaimed property website maintained by the
108.13 administrator;

108.14 (D) a telephone number and e-mail address to contact the administrator to inquire about
108.15 or claim property; and

108.16 (E) a statement that a person may access the Internet by a computer to search for
108.17 unclaimed property and a computer may be available as a service to the public at a local
108.18 public library; and

108.19 (2) maintain a website or database accessible by the public and electronically searchable
108.20 which contains the names reported to the administrator of all apparent owners for whom
108.21 property is being held by the administrator. The administrator need not list property on such
108.22 website when:

108.23 (A) no owner name was reported;

108.24 (B) a claim has been initiated or is pending for the property;

108.25 (C) the administrator has made direct contact with the apparent owner of the property;
108.26 and

108.27 (D) other instances exist where the administrator reasonably believes exclusion of the
108.28 property is in the best interests of both the state and the owner of the property.

108.29 (c) The website or database maintained under subsection (b)(2) must include instructions
108.30 for filing with the administrator a claim to property and a printable claim form with
108.31 instructions for its use.

109.1 (d) In addition to giving notice under subsection (b), publishing the information under
109.2 subsection (b)(1), and maintaining the website or database under subsection (b)(2), the
109.3 administrator may use other printed publication, telecommunication, the Internet, or other
109.4 media to inform the public of the existence of unclaimed property held by the administrator.

109.5 **ARTICLE 18**

109.6 **UNCLAIMED PROPERTY; TAKING CUSTODY OF PROPERTY BY** 109.7 **ADMINISTRATOR**

109.8 Section 1. **[345A.601] DORMANCY CHARGE.**

109.9 (a) A holder may deduct a dormancy charge from property required to be paid or delivered
109.10 to the administrator if:

109.11 (1) a valid contract between the holder and the apparent owner authorizes imposition of
109.12 the charge for the apparent owner's failure to claim the property within a specified time;
109.13 and

109.14 (2) the holder regularly imposes the charge and regularly does not reverse or otherwise
109.15 cancel the charge.

109.16 (b) The amount of the deduction under subsection (a) is limited to an amount that is not
109.17 unconscionable considering all relevant factors, including the marginal transactional costs
109.18 incurred by the holder in maintaining the apparent owner's property and any services received
109.19 by the apparent owner.

109.20 (c) A holder may not deduct an escheat fee or impose other charges solely by virtue of
109.21 property being reported as presumed abandoned.

109.22 Sec. 2. **[345A.602] PAYMENT OR DELIVERY OF PROPERTY TO** 109.23 **ADMINISTRATOR.**

109.24 (a) Except as otherwise provided in this section, on filing a report under section 345A.401,
109.25 the holder shall pay or deliver to the administrator the property described in the report.

109.26 (b) If property in a report under section 345A.401 is an automatically renewable deposit
109.27 and a penalty or forfeiture in the payment of interest would result from paying the deposit
109.28 to the administrator at the time of the report, the date for payment of the property to the
109.29 administrator is extended until a penalty or forfeiture no longer would result from payment,
109.30 if the holder informs the administrator of the extended date.

109.31 (c) Tangible property in a safe deposit box may not be delivered to the administrator
109.32 until 60 days after filing the report under section 345A.401.

110.1 (d) If property reported to the administrator under section 345A.401 is a security, the
110.2 administrator may:

110.3 (1) make an endorsement, instruction, or entitlement order on behalf of the apparent
110.4 owner to invoke the duty of the issuer, its transfer agent, or the securities intermediary to
110.5 transfer the security; or

110.6 (2) dispose of the security under section 345A.702.

110.7 (e) If the holder of property reported to the administrator under section 345A.401 is the
110.8 issuer of a certificated security, the administrator may obtain a replacement certificate in
110.9 physical or book-entry form under section 336.8-405. An indemnity bond is not required.

110.10 (f) The administrator shall establish procedures for the registration, issuance, method
110.11 of delivery, transfer, and maintenance of securities delivered to the administrator by a holder.

110.12 (g) An issuer, holder, and transfer agent or other person acting under this section under
110.13 instructions of and on behalf of the issuer or holder is not liable to the apparent owner for,
110.14 and must be indemnified by the state against, a claim arising with respect to property after
110.15 the property has been delivered to the administrator.

110.16 (h) A holder is not required to deliver to the administrator a security identified by the
110.17 holder as a nonfreely transferable security. If the administrator or holder determines that a
110.18 security is no longer a nonfreely transferable security, the holder shall deliver the security
110.19 on the next regular date prescribed for delivery of securities under this chapter. The holder
110.20 shall make a determination annually whether a security identified in a report filed under
110.21 section 345A.401 as a nonfreely transferable security is no longer a nonfreely transferable
110.22 security.

110.23 **Sec. 3. [345A.603] EFFECT OF PAYMENT OR DELIVERY OF PROPERTY TO**
110.24 **ADMINISTRATOR.**

110.25 On payment or delivery of property to the administrator under this chapter, the
110.26 administrator, as agent for the state, assumes custody and responsibility for safekeeping the
110.27 property. A holder that pays or delivers property to the administrator in good faith and
110.28 substantially complies with sections 345A.501 and 345A.502 is relieved of liability which
110.29 may arise thereafter with respect to the property so paid or delivered.

111.1 Sec. 4. **[345A.604] RECOVERY OF PROPERTY BY HOLDERS FROM**
111.2 **ADMINISTRATOR.**

111.3 (a) A holder that under this chapter pays money to the administrator may file a claim
111.4 for reimbursement from the administrator of the amount paid if the holder:

111.5 (1) paid the money in error; or

111.6 (2) after paying the money to the administrator, paid money to a person the holder
111.7 reasonably believed entitled to the money.

111.8 (b) If a claim for return of property is made, the holder shall include with the claim
111.9 evidence sufficient to establish that the apparent owner has claimed the property from the
111.10 holder or that the property was delivered by the holder to the administrator in error.

111.11 Sec. 5. **[345A.605] CREDITING INCOME OR GAIN TO OWNER'S ACCOUNT.**

111.12 If property other than money is delivered to the administrator, the owner is entitled to
111.13 receive from the administrator income or gain realized or accrued on the property before
111.14 the property is sold. If the property was interest-bearing, the administrator shall pay interest
111.15 at the lesser of the rate of the weekly average one-year constant maturity treasury yield, as
111.16 published by the Board of Governors of the Federal Reserve System, for the calendar week
111.17 preceding the beginning of the fiscal quarter in which the property was sold or the rate the
111.18 property earned while in the possession of the holder. Interest begins to accrue when the
111.19 property is delivered to the administrator and ends on the earlier of the expiration of ten
111.20 years after its delivery or the date on which payment is made to the owner.

111.21 Sec. 6. **[345A.606] ADMINISTRATOR'S OPTIONS AS TO CUSTODY.**

111.22 (a) The administrator may decline to take custody of property reported under section
111.23 345A.401 if the administrator determines that:

111.24 (1) the property has a value less than the estimated expenses of notice and sale of the
111.25 property; or

111.26 (2) taking custody of the property would be unlawful.

111.27 (b) A holder may pay or deliver property to the administrator before the property is
111.28 presumed abandoned under this chapter if the holder:

111.29 (1) sends the apparent owner of the property notice required by section 345A.501 and
111.30 provides the administrator evidence of the holder's compliance with this paragraph;

112.1 (2) includes with the payment or delivery a report regarding the property conforming to
112.2 section 345A.402; and

112.3 (3) first obtains the administrator's written consent to accept payment or delivery.

112.4 (c) A holder's request for the administrator's consent under subsection (b)(3) must be in
112.5 a record. If the administrator fails to respond to the request not later than 30 days after
112.6 receipt of the request, the administrator is deemed to consent to the payment or delivery of
112.7 the property and the payment or delivery is considered to have been made in good faith.

112.8 (d) On payment or delivery of property under subsection (b), the property is presumed
112.9 abandoned.

112.10 **Sec. 7. [345A.607] DISPOSITION OF PROPERTY HAVING NO SUBSTANTIAL**
112.11 **VALUE; IMMUNITY FROM LIABILITY.**

112.12 (a) If the administrator takes custody of property delivered under this chapter and later
112.13 determines that the property has no substantial commercial value or that the cost of disposing
112.14 of the property will exceed the value of the property, the administrator may return the
112.15 property to the holder or destroy or otherwise dispose of the property.

112.16 (b) An action or proceeding may not be commenced against the state, an agency of the
112.17 state, the administrator, another officer, employee, or agent of the state, or a holder for or
112.18 because of an act of the administrator under this section, except for intentional misconduct
112.19 or malfeasance.

112.20 **Sec. 8. [345A.608] PERIODS OF LIMITATION AND REPOSE.**

112.21 (a) Expiration, before, on, or after the effective date of this chapter, of a period of
112.22 limitation on an owner's right to receive or recover property, whether specified by contract,
112.23 statute, or court order, does not prevent the property from being presumed abandoned or
112.24 affect the duty of a holder under this chapter to file a report or pay or deliver property to
112.25 the administrator.

112.26 (b) An action or proceeding may not be maintained by the administrator to enforce this
112.27 act's reporting, delivery, or payment requirements more than ten years after the holder
112.28 specifically identified the property in a report filed with the administrator, or gave express
112.29 notice to the administrator of a dispute regarding the property. In the absence of such a
112.30 report or other express notice, the period of limitation is tolled. The period of limitation is
112.31 also tolled by filing a fraudulent report.

113.1 **ARTICLE 19**113.2 **UNCLAIMED PROPERTY; SALE OF PROPERTY BY ADMINISTRATOR**113.3 Section 1. **[345A.701] PUBLIC SALE OF PROPERTY.**

113.4 (a) Subject to section 345A.702, not earlier than three years after receipt of property
113.5 presumed abandoned, the administrator may sell the property.

113.6 (b) Before selling property under subsection (a), the administrator shall give notice to
113.7 the public of:

113.8 (1) the date of the sale; and

113.9 (2) a reasonable description of the property.

113.10 (c) A sale under subsection (a) must be to the highest bidder:

113.11 (1) at public sale at a location in this state which the administrator determines to be the
113.12 most favorable market for the property;

113.13 (2) on the Internet; or

113.14 (3) on another forum the administrator determines is likely to yield the highest net
113.15 proceeds of sale.

113.16 (d) The administrator may decline the highest bid at a sale under this section and reoffer
113.17 the property for sale if the administrator determines the highest bid is insufficient.

113.18 (e) If a sale held under this section is to be conducted other than on the Internet, the
113.19 administrator must publish at least one notice of the sale, at least two weeks but not more
113.20 than five weeks before the sale, in a newspaper of general circulation in the county in which
113.21 the property is sold. For purposes of this subsection, the reasonable description of property
113.22 to be sold required by subsection (b) may be satisfied by posting such information on the
113.23 administrator's website so long as the newspaper notice includes the website address where
113.24 such information is posted.

113.25 Sec. 2. **[345A.702] DISPOSAL OF SECURITIES.**

113.26 (a) The administrator may not sell or otherwise liquidate a security until one year after
113.27 the administrator receives the security, unless requested to do so by the owner of the security
113.28 in making a claim for the property.

113.29 (b) The administrator may not sell a security listed on an established stock exchange for
113.30 less than the price prevailing on the exchange at the time of sale. The administrator may
113.31 sell a security not listed on an established exchange by any commercially reasonable method.

114.1 Sec. 3. **[345A.704] PURCHASER OWNS PROPERTY AFTER SALE.**

114.2 A purchaser of property at a sale conducted by the administrator under this chapter takes
114.3 the property free of all claims of the owner, a previous holder, or a person claiming through
114.4 the owner or holder. The administrator shall execute documents necessary to complete the
114.5 transfer of ownership to the purchaser.

114.6 **ARTICLE 20**

114.7 **UNCLAIMED PROPERTY; ADMINISTRATION OF PROPERTY**

114.8 Section 1. **[345A.801] DEPOSIT OF FUNDS BY ADMINISTRATOR.**

114.9 (a) The administrator shall deposit in the general fund all funds received under this
114.10 chapter, including proceeds from the sale of property under sections 345A.701 to 345A.704,
114.11 except:

114.12 (1) expenses of disposition of property delivered to the administrator under this chapter;

114.13 (2) expenses incurred in examining records of or collecting property from a putative
114.14 holder or holder; and

114.15 (3) as otherwise provided in this chapter.

114.16 Sec. 2. **[345A.802] ADMINISTRATOR TO RETAIN RECORDS OF PROPERTY.**

114.17 The administrator shall:

114.18 (1) record and retain the name and last known address of each person shown on a report
114.19 filed under section 345A.401 to be the apparent owner of property delivered to the
114.20 administrator;

114.21 (2) record and retain the name and last known address of each insured or annuitant and
114.22 beneficiary shown on the report;

114.23 (3) for each policy of insurance or annuity contract listed in the report of an insurance
114.24 company, record and retain the policy or account number, the name of the company, and
114.25 the amount due or paid; and

114.26 (4) for each apparent owner listed in the report, record and retain the name of the holder
114.27 that filed the report and the amount due or paid.

115.1

ARTICLE 21

115.2

UNCLAIMED PROPERTY; CONFIDENTIALITY AND SECURITY OF

115.3

INFORMATION

115.4

Section 1. [345A.901] DATA PRACTICES.

115.5

(a) All working papers, recorded information, documents, and copies thereof produced

115.6

by, obtained by, or disclosed to the administrator or the administrator's agent in the course

115.7

of an examination made under this chapter are classified private or nonpublic for purposes

115.8

of the Minnesota Government Data Practices Act, Minnesota Statutes, chapter 13, are not

115.9

subject to subpoena, and may only be disclosed to:

115.10

(1) the extent required or permitted by law to report upon or take special action regarding

115.11

compliance and delivery of unclaimed property, or ordered by a court of law to testify or

115.12

produce evidence in a civil or criminal proceeding;

115.13

(2) another department or agency of this state or the United States;

115.14

(3) the person that administers the unclaimed property law of another state, if the other

115.15

state accords substantially reciprocal privileges to the administrator of this state and maintains

115.16

the confidentiality and security of information obtained in a substantially equivalent manner;

115.17

(4) a person subject to an examination as required by this chapter; and

115.18

(5) the auditor or administrator of a joint examination conducted with another state, the

115.19

United States, a foreign country or subordinate unit of a foreign country, or any other

115.20

governmental entity if the governmental entity conducting the examination maintains the

115.21

confidentiality and security of information in a substantially equivalent manner.

115.22

(b) All personal information derived or otherwise obtained by or communicated to the

115.23

administrator or the administrator's agent from a person making a claim for personal property

115.24

are classified private or nonpublic for purposes of the Minnesota Government Data Practices

115.25

Act, Minnesota Statutes, chapter 13, and may not be made public by the administrator or

115.26

the administrator's agent, except to:

115.27

(1) the subject, or the subject's personal representative, attorney, other legal representative,

115.28

heir, or agent designated to have the information;

115.29

(2) the personal representative of an estate, other legal representative, agent designated

115.30

by a deceased apparent owner, or a person entitled to inherit from a deceased apparent

115.31

owner;

115.32

(3) another department or agency of this state or the United States; and

116.1 (4) the extent required or permitted by law or ordered by a court of law to testify or
 116.2 produce evidence in a civil or criminal proceeding.

116.3 (c) Except as otherwise provided by law, the administrator shall include on its website
 116.4 or in the database required by section 345A.503(b)(2) the name of each apparent owner of
 116.5 property held by the administrator. The administrator may include in published notices,
 116.6 printed publications, telecommunications, the Internet, or other media and on the website
 116.7 or in the database additional information concerning the apparent owner's property if the
 116.8 administrator believes the information will assist in identifying and returning property to
 116.9 the owner and does not disclose personal information except the home or physical address
 116.10 of an apparent owner.

116.11 **ARTICLE 22**

116.12 **UNCLAIMED PROPERTY; HEARINGS, PROCEDURE, AND JUDICIAL REVIEW**

116.13 Section 1. Minnesota Statutes 2018, section 345.515, is amended to read:

116.14 **345.515 AGREEMENTS TO LOCATE REPORTED PROPERTY.**

116.15 It is unlawful for a person to seek or receive from another person or contract with a
 116.16 person for a fee or compensation for locating property, ~~knowing it to have been reported or~~
 116.17 ~~paid or delivered to the commissioner pursuant to chapter 345~~ prior to 24 months after the
 116.18 date the property is paid or delivered to the ~~commissioner~~ administrator.

116.19 ~~No~~ An agreement entered into after 24 months after the date the property is paid or
 116.20 ~~delivered to the commissioner~~ is valid only if a person thereby undertakes to locate property
 116.21 ~~included in a report for a fee or other compensation exceeding ten percent of the value of~~
 116.22 ~~the recoverable property unless the agreement is in writing and, is signed by the owner and,~~
 116.23 discloses the nature and value of the property and the name and address of the holder thereof
 116.24 as such facts have been reported, and provides for compensation in an amount that is no
 116.25 more than 15 percent of the amount collected. Nothing in this section shall be construed to
 116.26 prevent an owner from asserting at any time that an agreement to locate property is based
 116.27 upon an excessive or unjust consideration.

116.28 Sec. 2. Minnesota Statutes 2018, section 345.53, subdivision 1, is amended to read:

116.29 Subdivision 1. ~~Commissioner's~~ Administrator's duties. (a) ~~The commissioner~~
 116.30 administrator or the administrator's agent may at reasonable times and upon reasonable
 116.31 notice examine the records of any person, including examination of appropriate records in
 116.32 the possession of an agent of the person under examination, if there is reason to believe that

117.1 ~~the person has failed to report property that should have been reported pursuant to sections~~
117.2 ~~345.31 to 345.60.~~ the records are reasonably necessary to determine whether the person has
117.3 complied with this chapter. The administrator may issue an administrative subpoena requiring
117.4 the person or agent of the person to make records available for examination, and bring an
117.5 action seeking judicial enforcement of the subpoena, as well as impose penalties under
117.6 section 345.55.

117.7 (b) The administrator may contract with a person to conduct an examination under this
117.8 chapter. The contract shall be awarded pursuant to a request for proposals issued in
117.9 compliance with the state procurement rules.

117.10 (1) If the administrator contracts with a person under this subsection, the contract may
117.11 provide for compensation of the person based on a fixed fee, hourly fee, or contingent fee.

117.12 (2) A contract under subsection (b) is public data.

117.13 (3) If the administrator conducts an examination under subsection (a), each person under
117.14 examination shall pay an examination fee upon the request of the administrator and to be
117.15 based on the salary cost of examiners or assistants, and at such an average rate per day or
117.16 fraction thereof so as to provide for the total cost of such examinations.

117.17 (c) All data gathered in the course of an examination or audit of a holder or purported
117.18 holder under this chapter is classified as private or nonpublic information under the Minnesota
117.19 Government Data Practices Act, Minnesota Statutes, chapter 13, except as set forth in section
117.20 (b)(2) and except that such data may be disclosed as follows:

117.21 (1) to the extent required or permitted by law to report upon or take special action
117.22 regarding compliance and delivery of unclaimed property, or ordered by a court of law;

117.23 (2) to another department or agency of this state or the United States;

117.24 (3) to the person that administers the unclaimed property law of another state, if the
117.25 other state accords substantially reciprocal privileges to the administrator of this state, and
117.26 maintains the confidentiality and security of information by law or by agreement in a
117.27 substantially equivalent manner;

117.28 (4) to a person subject to an examination as required by this chapter; and

117.29 (5) to the auditor or administrator of a joint examination conducted with another state,
117.30 the United States, a foreign country or subordinate unit of a foreign country, or any other
117.31 governmental entity if the governmental entity conducting the examination maintains the
117.32 confidentiality and security of information by law or by agreement in a substantially
117.33 equivalent manner.

118.1 Sec. 3. Minnesota Statutes 2018, section 345.53, is amended by adding a subdivision to
118.2 read:

118.3 Subd. 3. **Failure of person examined to retain records.** If a person subject to
118.4 examination under this chapter does not retain the records required by section 345A.404,
118.5 the administrator may determine the value of property due using a reasonable method of
118.6 estimation based on all information available to the administrator, including extrapolation
118.7 and use of statistical sampling when appropriate and necessary. A payment made based on
118.8 estimation under this section is a penalty for failure to maintain the records required by
118.9 section 345A.404, and does not relieve a person from an obligation to report and deliver
118.10 property to a state in which the holder is domiciled.

118.11 Sec. 4. **[345A.950] HEARINGS, PROCEDURE, JUDICIAL REVIEW.**

118.12 (a) Any person aggrieved by a decision of the administrator under this chapter as it
118.13 relates to holder examinations may, within 21 days after that decision, make a written request
118.14 to the administrator for a hearing pursuant to this article to determine whether the decision
118.15 complies with the requirements of this chapter.

118.16 (b) Any person aggrieved by a decision of the administrator under this chapter as it
118.17 relates to claims of ownership of unclaimed property may, within 21 days after that decision
118.18 or within 180 days from the filing of the claim if the administrator fails to act on a claim,
118.19 make a written request to the administrator for a hearing pursuant to this article to determine
118.20 whether the decision complies with the requirements of this chapter.

118.21 (c) At the administrator's discretion, a hearing may be based upon written submissions,
118.22 and nothing contained in this section requires the observance of formal rules of pleading or
118.23 evidence.

118.24 (d) The administrator shall commence a hearing within 45 days after receipt of the
118.25 request and shall give not less than 15 days' written notice of the hearing. Within 30 days
118.26 after the hearing, the administrator shall affirm, reverse, or modify the previous action and
118.27 specify the reasons for that decision in writing.

118.28 (e) An order or decision of the administrator is a final decision subject to appeal in
118.29 accordance with chapter 14.

118.30 Sec. 5. **REPEALER.**

118.31 Minnesota Statutes 2018, section 345.53, subdivision 2, is repealed.

177.27 POWERS AND DUTIES OF COMMISSIONER.

Subdivision 1. **Examination of records.** The commissioner may enter during reasonable office hours or upon request and inspect the place of business or employment of any employer of employees working in the state, to examine and inspect books, registers, payrolls, and other records of any employer that in any way relate to wages, hours, and other conditions of employment of any employees. The commissioner may transcribe any or all of the books, registers, payrolls, and other records as the commissioner deems necessary or appropriate and may question the employees to ascertain compliance with sections 177.21 to 177.435. The commissioner may investigate wage claims or complaints by an employee against an employer if the failure to pay a wage may violate Minnesota law or an order or rule of the department.

Subd. 3. **Adequacy of records.** If the records maintained by the employer do not provide sufficient information to determine the exact amount of back wages due an employee, the commissioner may make a determination of wages due based on available evidence and mediate a settlement with the employer.

345.53 EXAMINATION OF RECORDS.

Subd. 2. **Examination charges.** If an examination of the records of a person results in the disclosure of property reportable and deliverable under sections 345.31 to 345.60, the commissioner may assess the cost of the examination against the holder at the rate of \$15 per hour per examiner, but in no case may the charges exceed the value of the property found to be reportable and deliverable.