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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 896

02/09/2017 Authored by Cornish
The bill was read for the first time and referred to the Committee on Public Safety and Security Policy and Finance

1.1 A bill for an act
1.2 relating to public safety; modifying certain provisions relating to courts, public
1.3 safety, firefighters, corrections, crime, disaster assistance, and controlled substances;
1.4 requesting reports; providing for penalties; appropriating money for public safety,
1.5 courts, corrections, Guardian Ad Litem Board, Uniform Laws Commission, Board
1.6 on Judicial Standards, Board of Public Defense, Sentencing Guidelines, Peace
1.7 Officer Standards and Training (POST) Board, Private Detective Board, and Human
1.8 Rights; amending Minnesota Statutes 2016, sections 13.02, subdivision 17; 271.06,
1.9 subdivision 6; 271.21, subdivision 2; 299A.55, subdivisions 2, 4; 364.01; 504B.173,
1.10 subdivisions 1, 3; proposing coding for new law in Minnesota Statutes, chapters
1.11 271; 364.

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

1.13 ARTICLE 1

1.14 APPROPRIATIONS

1.15 Section 1. APPROPRIATIONS.

1.16 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
1.17 and for the purposes specified in this article. The appropriations are from the general fund,
1.18 or another named fund, and are available for the fiscal years indicated for each purpose.
1.19 The figures "2018" and "2019" used in this article mean that the appropriations listed under
1.20 them are available for the fiscal year ending June 30, 2018, or June 30, 2019, respectively.
1.21 "The first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium"
1.22 is fiscal years 2018 and 2019. Appropriations for the fiscal year ending June 30, 2017, are
1.23 effective the day following final enactment.

Table with 3 columns: Year, 2017, 2018, 2019. Header: APPROPRIATIONS Available for the Year Ending June 30.

2.1	Sec. 2. <u>SUPREME COURT</u>		
2.2	Subdivision 1. <u>Total Appropriation</u>	\$	<u>54,166,000</u> \$ <u>55,951,000</u>
2.3	<u>The amounts that may be spent for each</u>		
2.4	<u>purpose are specified in the following</u>		
2.5	<u>subdivisions.</u>		
2.6	Subd. 2. <u>Supreme Court Operations</u>		<u>39,049,000</u> <u>40,834,000</u>
2.7	<u>Information Security and Risk</u>		
2.8	<u>Management</u>		
2.9	<u>\$984,000 each year is for an information</u>		
2.10	<u>security and risk management program.</u>		
2.11	Subd. 3. <u>Civil Legal Services</u>		<u>15,117,000</u> <u>15,117,000</u>
2.12	<u>Legal Services to Low-Income Clients in</u>		
2.13	<u>Family Law Matters</u>		
2.14	<u>\$948,000 each year is to improve the access</u>		
2.15	<u>of low-income clients to legal representation</u>		
2.16	<u>in family law matters. This appropriation must</u>		
2.17	<u>be distributed under Minnesota Statutes,</u>		
2.18	<u>section 480.242, to the qualified legal services</u>		
2.19	<u>program described in Minnesota Statutes,</u>		
2.20	<u>section 480.242, subdivision 2, paragraph (a).</u>		
2.21	<u>Any unencumbered balance remaining in the</u>		
2.22	<u>first year does not cancel and is available in</u>		
2.23	<u>the second year.</u>		
2.24	Sec. 3. <u>COURT OF APPEALS</u>	\$	<u>12,464,000</u> \$ <u>12,877,000</u>
2.25	Sec. 4. <u>DISTRICT COURTS</u>	\$	<u>294,500,000</u> \$ <u>304,662,000</u>
2.26	Subdivision 1. <u>Treatment Courts Stability</u>		
2.27	<u>\$1,689,000 each year is for treatment courts</u>		
2.28	<u>stability.</u>		

3.1 **Subd. 2. New Trial Judges**

3.2 \$884,000 the first year and \$818,000 the
3.3 second year are for two new trial court judge
3.4 units.

3.5 **Sec. 5. GUARDIAN AD LITEM BOARD** **\$** **17,651,000** **\$** **18,417,000**

3.6 **Compliance Positions**

3.7 \$734,000 the first year and \$767,000 the
3.8 second year are for ten new positions to
3.9 maintain compliance with federal and state
3.10 mandates.

3.11 **Sec. 6. TAX COURT** **\$** **2,008,000** **\$** **1,820,000**

3.12 **Base Appropriation**

3.13 The base appropriation for the Tax Court shall
3.14 be \$1,866,000 in fiscal year 2020 and
3.15 \$1,866,000 in fiscal year 2021.

3.16 **Sec. 7. UNIFORM LAWS COMMISSION** **\$** **93,000** **\$** **93,000**

3.17 **Sec. 8. BOARD ON JUDICIAL STANDARDS** **\$** **531,000** **\$** **496,000**

3.18 **Subdivision 1. Severance Costs**

3.19 \$45,000 the first year is for anticipated
3.20 severance costs for the executive secretary's
3.21 retirement. This is a onetime appropriation.

3.22 **Subd. 2. Major Disciplinary Actions**

3.23 \$125,000 each year is for special investigative
3.24 and hearing costs for major disciplinary
3.25 actions undertaken by the board. This
3.26 appropriation does not cancel. Any
3.27 unencumbered and unspent balances remain
3.28 available for these expenditures until June 30,
3.29 2021.

4.1	Sec. 9. <u>BOARD OF PUBLIC DEFENSE</u>	\$	<u>89,162,000</u>	\$	<u>95,229,000</u>
4.2	Sec. 10. <u>SENTENCING GUIDELINES</u>	\$	<u>658,000</u>	\$	<u>675,000</u>
4.3	Sec. 11. <u>PUBLIC SAFETY</u>				
4.4	Subdivision 1. <u>Total Appropriation</u>	\$	<u>212,928,000</u>	\$	<u>194,237,000</u>

4.5	<u>Appropriations by Fund</u>		
4.6		<u>2018</u>	<u>2019</u>
4.7	<u>General</u>	<u>122,007,000</u>	<u>103,097,000</u>
4.8	<u>Special Revenue</u>	<u>11,185,000</u>	<u>11,325,000</u>
4.9	<u>State Government</u>		
4.10	<u>Special Revenue</u>	<u>103,000</u>	<u>103,000</u>
4.11	<u>Environmental</u>	<u>72,000</u>	<u>72,000</u>
4.12	<u>Trunk Highway</u>	<u>2,374,000</u>	<u>2,419,000</u>
4.13	<u>911 Fund</u>	<u>77,187,000</u>	<u>77,221,000</u>

4.14 **The amounts that may be spent for each**
 4.15 **purpose are specified in the following**
 4.16 **subdivisions.**

4.17	Subd. 2. <u>Emergency Management</u>		<u>23,565,000</u>		<u>3,632,000</u>
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4.18	<u>Appropriations by Fund</u>		
4.19	<u>General</u>	<u>22,643,000</u>	<u>2,710,000</u>
4.20	<u>Environmental</u>	<u>72,000</u>	<u>72,000</u>
4.21	<u>Special Revenue</u>		
4.22	<u>Fund</u>	<u>850,000</u>	<u>850,000</u>

4.23 **(a) Hazmat and Chemical Assessment Teams**

4.24 **\$850,000 the first year and \$850,000 the**
 4.25 **second year are from the fire safety account**
 4.26 **in the special revenue fund. These amounts**
 4.27 **must be used to fund the hazardous materials**
 4.28 **and chemical assessment teams. Of this**
 4.29 **amount, \$100,000 the first year is for cases**
 4.30 **for which there is no identified responsible**
 4.31 **party. \$100,000 each year is for an increase**
 4.32 **from the general fund to reimburse local**
 4.33 **governments for bomb squad services.**

4.34 **(b) Disaster Assistance Account**

5.1 \$20,000,000 the first year is from the general
 5.2 fund for transfer to the disaster assistance
 5.3 contingency account in Minnesota Statutes,
 5.4 section 12.221.

5.5 **Subd. 3. Criminal Apprehension** 59,648,000 60,593,000

5.6	<u>Appropriations by Fund</u>		
5.7	<u>General</u>	<u>57,267,000</u>	<u>58,167,000</u>
5.8	<u>State Government</u>		
5.9	<u>Special Revenue</u>	<u>7,000</u>	<u>7,000</u>
5.10	<u>Trunk Highway</u>	<u>2,374,000</u>	<u>2,419,000</u>

5.11 **(a) DWI Lab Analysis; Trunk Highway Fund**

5.12 Notwithstanding Minnesota Statutes, section
 5.13 161.20, subdivision 3, \$2,374,000 the first
 5.14 year and \$2,419,000 the second year are from
 5.15 the trunk highway fund for laboratory analysis
 5.16 related to driving-while-impaired cases.

5.17 **(b) Predatory Registration System**

5.18 \$2,100,000 the first year and \$2,000,000 the
 5.19 second year are from the general fund to build
 5.20 the predatory registration system. These
 5.21 appropriations are available until June 30,
 5.22 2020. The base for fiscal year 2020 and fiscal
 5.23 year 2021 is \$400,000 per year to maintain
 5.24 the system.

5.25 **(c) BCA Investment Initiative**

5.26 \$1,980,000 each year is from the general fund:

5.27 (1) for an increase to the criminal information
 5.28 and operations section;

5.29 (2) for additional agents to assist in complex
 5.30 narcotics and homicide investigations;

5.31 (3) for additional forensic scientists;

5.32 (4) for maintenance of the criminal history
 5.33 system; and

6.1 (5) for additional staff in the drug chemistry
6.2 lab.

6.3 **(d) Livescan Replacement**

6.4 \$325,000 each year is from the general fund
6.5 to replace electronic fingerprint capture
6.6 equipment in criminal justice agencies around
6.7 the state. The equipment is to be used to
6.8 automatically submit the fingerprints to the
6.9 bureau for identification of the person and
6.10 processing.

6.11 **(e) Base Appropriation**

6.12 The base appropriation from the general fund
6.13 for criminal apprehension is \$56,567,000 in
6.14 fiscal year 2020 and \$56,567,000 in fiscal year
6.15 2021.

6.16 **Subd. 4. Fire Marshal**

9,577,000

9,711,000

6.17 Appropriations by Fund

6.18 Special Revenue 9,577,000 9,711,000

6.19 The special revenue fund appropriation is from
6.20 the fire safety account in the special revenue
6.21 fund and is for activities under Minnesota
6.22 Statutes, section 299F.012.

6.23 **(a) Task Force 1**

6.24 \$500,000 the first year and \$500,000 the
6.25 second year are for an increase to Minnesota
6.26 Task Force 1.

6.27 **(b) Air Rescue**

6.28 \$190,000 each year is to fund the Minnesota
6.29 Air Rescue Team.

6.30 **(c) Unappropriated Revenue**

6.31 Any additional unappropriated money
6.32 collected in fiscal year 2017 is appropriated

7.1 to the commissioner of public safety for the
 7.2 purposes of Minnesota Statutes, section
 7.3 299F.012. The commissioner may transfer
 7.4 appropriations and base amounts between
 7.5 activities in this subdivision.

7.6 **Subd. 5. Alcohol and Gambling Enforcement** 2,787,000 2,851,000

7.7 Appropriations by Fund

7.8 General 2,029,000 2,087,000

7.9 Special Revenue 758,000 764,000

7.10 \$688,000 the first year and \$694,000 the
 7.11 second year are from the alcohol enforcement
 7.12 account in the special revenue fund. Of this
 7.13 appropriation, \$500,000 each year shall be
 7.14 transferred to the general fund.

7.15 \$70,000 each year is from the lawful gambling
 7.16 regulation account in the special revenue fund.

7.17 **Field Agents and Alcohol Educator**

7.18 \$269,000 each year is from the general fund
 7.19 for field agents and an alcohol educator.

7.20 **Subd. 6. Office of Justice Programs** 40,164,000 40,229,000

7.21 Appropriations by Fund

7.22 General 40,068,000 40,133,000

7.23 State Government

7.24 Special Revenue 96,000 96,000

7.25 **(a) OJP Administration Costs**

7.26 Up to 2.5 percent of the grant funds
 7.27 appropriated in this subdivision may be used
 7.28 by the commissioner to administer the grant
 7.29 program.

7.30 **(b) Violent Crime Enforcement**

7.31 \$1,000,000 each year is from the general fund
 7.32 for additional grants for Statewide Violent
 7.33 Crime Enforcement Teams.

7.34 **Subd. 7. Emergency Communication Networks** 77,187,000 77,221,000

8.1 This appropriation is from the state
8.2 government special revenue fund for 911
8.3 emergency telecommunications services.

8.4 This appropriation includes funds for
8.5 information technology project services and
8.6 support subject to the provisions of Minnesota
8.7 Statutes, section 16E.0466. Any ongoing
8.8 information technology costs will be
8.9 incorporated into the service level agreement
8.10 and will be paid to the Office of MN.IT
8.11 Services by the Department of Public Safety
8.12 under the rates and mechanism specified in
8.13 that agreement.

8.14 **(a) Public Safety Answering Points**

8.15 \$13,664,000 each year is to be distributed as
8.16 provided in Minnesota Statutes, section
8.17 403.113, subdivision 2.

8.18 **(b) Medical Resource Communication Centers**

8.19 \$683,000 each year is for grants to the
8.20 Minnesota Emergency Medical Services
8.21 Regulatory Board for the Metro East and
8.22 Metro West Medical Resource
8.23 Communication Centers that were in operation
8.24 before January 1, 2000.

8.25 **(c) ARMER Debt Service**

8.26 \$23,261,000 each year is to the commissioner
8.27 of management and budget to pay debt service
8.28 on revenue bonds issued under Minnesota
8.29 Statutes, section 403.275.

8.30 Any portion of this appropriation not needed
8.31 to pay debt service in a fiscal year may be used
8.32 by the commissioner of public safety to pay
8.33 cash for any of the capital improvements for
8.34 which bond proceeds were appropriated by

10.1 **Subd. 2. Excess Amounts Transferred**

10.2 The special revenue fund appropriation is from
10.3 the peace officer training account. Any new
10.4 receipts credited to that account in the first
10.5 year in excess of \$4,144,000 must be
10.6 transferred and credited to the general fund.
10.7 Any new receipts credited to that account in
10.8 the second year in excess of \$4,156,000 must
10.9 be transferred and credited to the general fund.

10.10 **Subd. 3. Peace Officer Training Reimbursements**

10.11 \$2,859,000 each year from the peace officer
10.12 training account in the special revenue fund
10.13 is for reimbursements to local governments
10.14 for peace officer training costs.

10.15 **Subd. 4. Peace Officer Training Assistance**

10.16 \$5,000,000 each year from the general fund
10.17 is to support and strengthen law enforcement
10.18 training and implement best practices. This
10.19 appropriation may be allocated to implement
10.20 recommendations as submitted by the
10.21 Governor's Council on Law Enforcement and
10.22 Community Relations. This is a onetime
10.23 appropriation.

10.24 **Sec. 13. PRIVATE DETECTIVE BOARD** **\$** **189,000** **\$** **189,000**

10.25 **Sec. 14. HUMAN RIGHTS** **\$** **5,610,000** **\$** **6,006,000**

10.26 **Subdivision 1. Regional Offices**

10.27 \$1,050,000 the first year and \$1,250,000 the
10.28 second year are for new Human Rights
10.29 regional offices in Duluth, Rochester, and
10.30 Worthington and for additional support for the
10.31 existing regional office in St. Cloud.

11.1 Subd. 2. **Ban the Box for Housing**

11.2 \$150,000 each year is for the implementation
11.3 and enforcement of the Ban the Box for
11.4 Housing under Minnesota Statutes, sections
11.5 364.20 to 364.22.

11.6 Sec. 15. **CORRECTIONS**

11.7 Subdivision 1. **Total**

11.8	<u>Appropriation</u>	<u>\$</u>	<u>9,200,000</u>	<u>\$</u>	<u>598,630,000</u>	<u>\$</u>	<u>616,262,000</u>
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11.9 The amounts that may be spent for each
11.10 purpose are specified in the following
11.11 subdivisions.

11.12 Subd. 2. **Correctional**

11.13	<u>Institutions</u>		<u>9,200,000</u>		<u>437,729,000</u>		<u>453,372,000</u>
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11.14 (a) **Offender Health Care**

11.15 \$9,200,000 in fiscal year 2017 is to fund a
11.16 deficiency in the base budget for the offender
11.17 health care contract.

11.18 \$11,400,000 each year is added to the base for
11.19 the offender health care contract.

11.20 (b) **Critical Technology**

11.21 \$2,969,000 each year is to support critical
11.22 technology needs.

11.23 (c) **Federal Prison Rape Elimination Act**

11.24 \$943,000 the first year and \$1,068,000 the
11.25 second year are to comply with requirements
11.26 of the federal Prison Rape Elimination Act.

11.27 (d) **Operational Costs**

11.28 \$2,450,000 each year is to increase the
11.29 relevant base budgets for operational costs
11.30 including offender food, plant operations, and
11.31 lease of space.

11.32 (e) **Personnel; Shakopee and St. Cloud**

12.1 \$262,000 each year is to add positions to
 12.2 manage increased operational needs related to
 12.3 the completion of capital bonding projects at
 12.4 the correctional facilities in Shakopee and St.
 12.5 Cloud.

12.6 **(f) Mentally Ill Offenders**

12.7 \$1,494,000 the first year and \$1,962,000 the
 12.8 second year are to expand services for
 12.9 mentally ill offenders including behavioral
 12.10 health and security personnel.

12.11 **(g) Restrictive Housing Reforms**

12.12 \$1,743,000 the first year and \$2,027,000 the
 12.13 second year are to implement restrictive
 12.14 housing reforms that will reduce the risk of
 12.15 future misconduct and comply with federal
 12.16 guidelines and accreditation standards.

12.17 **(h) Correctional Officers; Security Systems**

12.18 \$2,500,000 the first year and \$3,500,000 the
 12.19 second year are to add positions for
 12.20 correctional officers located in correctional
 12.21 facilities and to upgrade critical security
 12.22 systems.

12.23 **(i) Offender Medical Services Expansion**

12.24 \$750,000 the first year and \$1,250,000 the
 12.25 second year are to expand and improve
 12.26 offender medical services.

12.27 **Subd. 3. Community Services**

132,998,000

134,531,000

12.28 **(a) Supervised Release Agents**

12.29 \$1,040,000 each year is to increase the number
 12.30 of supervision agents for offenders under
 12.31 Department of Corrections supervision.

12.32 **(b) Critical Needs**

13.1 \$345,000 each year is to support critical
13.2 technology needs.

13.3 **(c) Out-Patient Sex Offender Treatment**

13.4 \$465,000 each year is to increase out-patient
13.5 sex offender treatment for offenders on
13.6 community supervision.

13.7 **(d) Subsidy**

13.8 \$3,150,000 each year is added to the
13.9 Community Corrections Act subsidy, as
13.10 described in Minnesota Statutes, section
13.11 401.14.

13.12 **(e) County Probation Officers**

13.13 \$345,000 each year is for county probation
13.14 officers reimbursement, as described in
13.15 Minnesota Statutes, section 244.19,
13.16 subdivision 6.

13.17 **(f) Offender Case Management**

13.18 \$1,494,000 in fiscal year 2019 and \$1,962,000
13.19 in fiscal year 2020 are to expand and improve
13.20 offender case management services.

13.21 **Subd. 4. Operations Support** 27,903,000 28,359,000

13.22 \$1,638,000 each year is to support technology
13.23 needs.

13.24 **ARTICLE 2**
13.25 **STATUTORY CHANGES**

13.26 Section 1. Minnesota Statutes 2016, section 13.02, subdivision 17, is amended to read:

13.27 Subd. 17. **State agency.** "State agency" means the state, the University of Minnesota,
13.28 and any office, officer, department, division, bureau, board, commission, authority, district
13.29 or agency of the state, but does not include the Tax Court.

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

14.1 Sec. 2. Minnesota Statutes 2016, section 271.06, subdivision 6, is amended to read:

14.2 Subd. 6. **Hearings; determination of issues; default.** (a) The Tax Court shall hear,
 14.3 consider, and determine without a jury every appeal de novo. A Tax Court judge may
 14.4 empanel an advisory jury upon the judge's motion. The Tax Court shall hold a public hearing
 14.5 in every case. All such parties shall have an opportunity to offer evidence and arguments
 14.6 at the hearing; provided, that the order of the commissioner or the appropriate unit of
 14.7 government in every case shall be prima facie valid. When an appeal to the Tax Court has
 14.8 been taken from an order or determination of the commissioner or from the appropriate unit
 14.9 of government, the proceeding shall be an original proceeding in the nature of a suit to set
 14.10 aside or modify the order or determination. In case no appellant shall appear the Tax Court
 14.11 shall enter its order affirming the order of the commissioner of revenue or the appropriate
 14.12 unit of government from which the appeal was taken. If the Department of Revenue's sales
 14.13 ratio study is introduced in Tax Court as evidence, the sales ratio data from the study shall
 14.14 be admissible as evidence only as provided in section 278.05, subdivision 4.

14.15 (b) The commissioner, the taxpayer, and any other party to an appeal to the Tax Court
 14.16 may file all necessary notices, documents, and other necessary information with the Tax
 14.17 Court in a manner approved by the Tax Court.

14.18 (c) The Tax Court may adopt rules under chapter 14 governing procedures for electronic
 14.19 filings of court documents.

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

14.21 Sec. 3. Minnesota Statutes 2016, section 271.21, subdivision 2, is amended to read:

14.22 Subd. 2. **Jurisdiction.** At the election of the taxpayer, the Small Claims Division shall
 14.23 have jurisdiction only in the following matters:

14.24 (a) cases involving valuation, assessment, or taxation of real or personal property, if:

14.25 (i) the issue is a denial of a current year application for the homestead classification for
 14.26 the taxpayer's property;

14.27 (ii) only one parcel is included in the petition, the entire parcel is classified as homestead
 14.28 class 1a or 1b under section 273.13, and the parcel contains no more than one dwelling unit;

14.29 (iii) the entire property is classified as agricultural homestead class 2a or 1b under section
 14.30 273.13; or

14.31 (iv) the assessor's estimated market value of the property included in the petition is less
 14.32 than \$300,000; or

15.1 (b) any case not involving valuation, assessment, or taxation of real and personal property
15.2 in which the amount in controversy does not exceed ~~\$5,000~~ \$15,000, including penalty and
15.3 interest.

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

15.5 Sec. 4. **[271.23] TAX COURT DATA, ELECTRONIC FILING.**

15.6 The Tax Court may adopt rules under chapter 14 governing classification of data
15.7 collected, created, stored, maintained, or disseminated by the Tax Court under this chapter.

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

15.9 Sec. 5. Minnesota Statutes 2016, section 299A.55, subdivision 2, is amended to read:

15.10 Subd. 2. **Railroad and pipeline safety account.** (a) A railroad and pipeline safety
15.11 account is created in the special revenue fund. The account consists of funds collected under
15.12 subdivision 4 and funds donated, allotted, transferred, or otherwise provided to the account.

15.13 (b) ~~\$104,000~~ \$114,000 is annually appropriated from the railroad and pipeline safety
15.14 account to the commissioner of the Pollution Control Agency for environmental protection
15.15 activities related to railroad discharge preparedness under chapter 115E.

15.16 (c) Following the appropriation in paragraph (b), the remaining money in the account
15.17 is annually appropriated to the commissioner of public safety for the purposes specified in
15.18 subdivision 3.

15.19 Sec. 6. Minnesota Statutes 2016, section 299A.55, subdivision 4, is amended to read:

15.20 Subd. 4. **Assessments.** (a) The commissioner of public safety shall annually assess
15.21 ~~\$2,500,000~~ \$1,500,000 to railroad and pipeline companies based on the formula specified
15.22 in paragraph (b). The commissioner shall deposit funds collected under this subdivision in
15.23 the railroad and pipeline safety account under subdivision 2.

15.24 (b) The assessment for each railroad is 50 percent of the total annual assessment amount,
15.25 divided in equal proportion between applicable rail carriers based on route miles operated
15.26 in Minnesota. The assessment for each pipeline company is 50 percent of the total annual
15.27 assessment amount, divided in equal proportion between companies based on the yearly
15.28 aggregate gallons of oil and hazardous substance transported by pipeline in Minnesota.

15.29 ~~(c) The assessments under this subdivision expire July 1, 2017.~~

16.1 Sec. 7. Minnesota Statutes 2016, section 364.01, is amended to read:

16.2 **364.01 POLICY.**

16.3 The legislature declares that it is the policy of the state of Minnesota to encourage and
16.4 contribute to the rehabilitation of criminal offenders and to assist them in the resumption
16.5 of the responsibilities of citizenship. The opportunity to secure employment or to pursue,
16.6 practice, or engage in a meaningful and profitable trade, occupation, vocation, profession
16.7 or business is essential to rehabilitation and the resumption of the responsibilities of
16.8 citizenship. The opportunity to secure housing is also essential to rehabilitation and the
16.9 resumption of the responsibilities of citizenship.

16.10 Sec. 8. **[364.20] DEFINITIONS.**

16.11 Subdivision 1. **Scope.** For purposes of sections 364.20 to 364.22, the terms in this section
16.12 have the meanings given them.

16.13 Subd. 2. **Landlord.** "Landlord" means an owner of real property, a contract for deed
16.14 vendee, receiver, executor, trustee, lessee, agent, or other person directly or indirectly in
16.15 control of rental property.

16.16 Subd. 3. **Tenant screening process.** "Tenant screening process" means the period before
16.17 a decision is made to rent or lease, which includes the time during which a person is seeking
16.18 housing requests and is provided an application and the time during which the assessment
16.19 of rental history and credit history, the checking of sources of income, and the scheduling
16.20 of an applicant interview routinely occur.

16.21 Sec. 9. **[364.21] HOUSING; CONSIDERATION OF CRIMINAL RECORDS.**

16.22 Unless otherwise provided by law, a criminal record shall not automatically disqualify
16.23 an applicant. This section does not prohibit a landlord from notifying applicants that law
16.24 or the landlord's policy will disqualify an individual with a particular criminal history
16.25 background from housing. The landlord may disclose screening criteria used to decide
16.26 whether to rent or lease to an applicant with a criminal history background. The landlord's
16.27 initial disclosure shall inform the applicant of the opportunity to provide evidence
16.28 demonstrating inaccuracies within the applicant's criminal record or evidence of rehabilitation
16.29 or other mitigating factors and contain examples of rehabilitation or other mitigating factors.

17.1 Sec. 10. [364.22] TRANSPARENCY IN CONSIDERING CRIMINAL HISTORY
 17.2 INFORMATION IN RENTAL HOUSING.

17.3 (a) This section does not prohibit a landlord from conducting or using criminal
 17.4 background check information in evaluating applicants or making rental decisions.

17.5 (b) A landlord shall conduct a criminal background check only after the prospective
 17.6 tenant has successfully completed all other phases of the landlord's tenant screening process.
 17.7 Following successful completion of the landlord's tenant screening process, the landlord's
 17.8 request for a criminal background check shall inform the applicant that the applicant may
 17.9 provide information to the landlord concerning inaccuracies within the applicant's criminal
 17.10 record as well as information of rehabilitation and mitigating factors. If the applicant claims
 17.11 the information is inaccurate, the landlord shall allow the applicant a reasonable amount of
 17.12 time to have the record corrected.

17.13 (c) The landlord shall not consider crimes that have been expunged by a judge or arrests
 17.14 that did not lead to a conviction, except when there is a pending judicial proceeding related
 17.15 to the arrest.

17.16 (d) The landlord shall provide the applicant with an opportunity to request a reasonable
 17.17 accommodation.

17.18 (e) The landlord shall maintain records for a period of two years concerning application
 17.19 of criminal history information in tenant selection. The information shall list the name of
 17.20 the applicant, the criminal history information received concerning the applicant, the
 17.21 rehabilitation and mitigating factors provided by the applicant, and the decision of the
 17.22 landlord.

17.23 (f) This section does not preempt existing statutory duties to consider criminal background
 17.24 information in evaluating applicants.

17.25 Sec. 11. Minnesota Statutes 2016, section 504B.173, subdivision 1, is amended to read:

17.26 Subdivision 1. **Limitations.** A landlord is subject to and must comply with section
 17.27 364.22. A landlord may not:

17.28 (1) charge an applicant a screening fee when the landlord knows or should have known
 17.29 that no rental unit is available at that time or will be available within a reasonable future
 17.30 time;

18.1 (2) collect or hold an applicant screening fee without giving the applicant a written
18.2 receipt for the fee, which may be incorporated into the application form, upon request of
18.3 the applicant; or

18.4 (3) use, cash, or deposit an applicant screening fee until all prior applicants have either
18.5 been screened and rejected, or offered the unit and declined to enter into a rental agreement.

18.6 Sec. 12. Minnesota Statutes 2016, section 504B.173, subdivision 3, is amended to read:

18.7 Subd. 3. **Disclosures to applicant.** If a landlord accepts an applicant screening fee from
18.8 a prospective tenant, the landlord must:

18.9 (1) disclose in writing prior to accepting the applicant screening fee:

18.10 (i) the name, address, and telephone number of the tenant screening service the landlord
18.11 will use, unless the landlord does not use a tenant screening service; and

18.12 (ii) the criteria, including criminal history information, on which the decision to rent to
18.13 the prospective tenant will be based; and

18.14 (2) notify the applicant within 14 days of rejecting a rental application, identifying the
18.15 criteria the applicant failed to meet.

APPENDIX
Article locations in 17-2397

ARTICLE 1	APPROPRIATIONS	Page.Ln 1.13
ARTICLE 2	STATUTORY CHANGES	Page.Ln 13.24