

2.1 The base for this appropriation is \$39,703,000
 2.2 in fiscal year 2028 and each fiscal year
 2.3 thereafter.

2.4 **Subd. 3. House of Representatives** 42,375,000 41,162,000

2.5 The base for this appropriation is \$39,437,000
 2.6 in fiscal year 2028 and \$39,436,000 in fiscal
 2.7 year 2029.

2.8 **Subd. 4. Legislative Coordinating Commission** 32,940,000 34,274,000

2.9 The base for this appropriation is \$34,283,000
 2.10 in fiscal year 2028 and \$34,284,000 in fiscal
 2.11 year 2029.

2.12 **Legislative Auditor.** \$12,654,000 the first
 2.13 year and \$13,147,000 the second year are for
 2.14 the Office of the Legislative Auditor.

2.15 **Revisor of Statutes.** \$9,388,000 the first year
 2.16 and \$9,769,000 the second year are for the
 2.17 Office of the Revisor of Statutes.

2.18 **Legislative Reference Library.** \$2,278,000
 2.19 the first year and \$2,369,000 the second year
 2.20 are for the Legislative Reference Library.

2.21 **Legislative Budget Office.** \$2,800,000 the
 2.22 first year and \$2,965,000 the second year are
 2.23 for the Legislative Budget Office.

2.24 **Sec. 3. GOVERNOR AND LIEUTENANT**
 2.25 **GOVERNOR** \$ 9,231,000 \$ 9,231,000

2.26 (a) \$19,000 each year is for necessary
 2.27 expenses in the normal performance of the
 2.28 governor's and lieutenant governor's duties for
 2.29 which no other reimbursement is provided.

2.30 (b) By September 1 of each year, the
 2.31 commissioner of management and budget shall
 2.32 report to the chairs and ranking minority
 2.33 members of the legislative committees with

3.1 jurisdiction over state government finance any
 3.2 personnel costs incurred by the Offices of the
 3.3 Governor and Lieutenant Governor that were
 3.4 supported by appropriations to other agencies
 3.5 during the previous fiscal year. The Office of
 3.6 the Governor shall inform the chairs and
 3.7 ranking minority members of the committees
 3.8 before initiating any interagency agreements.

3.9 **Sec. 4. STATE AUDITOR** **\$ 15,497,000 \$ 16,101,000**

3.10 The base for this appropriation is \$16,034,000
 3.11 in fiscal year 2028 and \$16,064,000 in fiscal
 3.12 year 2029.

3.13 **Sec. 5. ATTORNEY GENERAL** **\$ 48,864,000 \$ 48,237,000**

3.14 The general fund base for this appropriation
 3.15 is \$44,821,000 in fiscal year 2028 and
 3.16 \$44,462,000 in fiscal year 2029.

3.17 Appropriations by Fund

	<u>2026</u>	<u>2027</u>
3.18 <u>General</u>	<u>45,438,000</u>	<u>44,821,000</u>
3.19 <u>State Government</u>		
3.20 <u>Special Revenue</u>	<u>3,021,000</u>	<u>3,021,000</u>
3.21 <u>Environmental</u>	<u>145,000</u>	<u>145,000</u>
3.22 <u>Remediation</u>	<u>250,000</u>	<u>250,000</u>

3.23 **Sec. 6. SECRETARY OF STATE** **\$ 13,120,000 \$ 13,004,000**

3.24 The base for this appropriation is \$12,934,000
 3.25 in fiscal year 2028 and \$13,004,000 in fiscal
 3.26 year 2029.

3.27 **Sec. 7. STATE BOARD OF INVESTMENT** **\$ 139,000 \$ 139,000**

3.28 **Sec. 8. ADMINISTRATIVE HEARINGS** **\$ 11,110,000 \$ 11,709,000**

3.29 Appropriations by Fund

	<u>2026</u>	<u>2027</u>
3.30 <u>General</u>	<u>705,000</u>	<u>715,000</u>
3.31 <u>Workers'</u>		
3.32 <u>Compensation</u>	<u>10,405,000</u>	<u>10,994,000</u>

4.1 **Sec. 9. INFORMATION TECHNOLOGY**
 4.2 **SERVICES** **\$ 10,153,000 \$ 10,172,000**

4.3 The base for this appropriation is \$10,222,000
 4.4 in fiscal year 2028 and each fiscal year
 4.5 thereafter.

4.6 During the biennium ending June 30, 2027,
 4.7 the Department of Information Technology
 4.8 Services must not charge fees to a public
 4.9 noncommercial educational television
 4.10 broadcast station eligible for funding under
 4.11 Minnesota Statutes, chapter 129D, for access
 4.12 to the state broadcast infrastructure. If the
 4.13 access fees not charged to public
 4.14 noncommercial educational television
 4.15 broadcast stations total more than \$400,000
 4.16 for the biennium, the office may charge for
 4.17 access fees in excess of these amounts.

4.18 **Sec. 10. ADMINISTRATION**

4.19 **Subdivision 1. Total Appropriation** **\$ 36,976,000 \$ 36,985,000**

4.20 The amounts that may be spent for each
 4.21 purpose are specified in the following
 4.22 subdivisions.

4.23 **Subd. 2. Government and Citizen Services** **17,067,000 17,075,000**

4.24 The general fund base for this appropriation
 4.25 is \$17,131,000 in fiscal year 2028 and each
 4.26 fiscal year thereafter.

4.27 **Council on Developmental Disabilities.**

4.28 \$222,000 each year is for the Council on
 4.29 Developmental Disabilities.

4.30 **State Agency Accommodation**

4.31 **Reimbursement.** \$200,000 each year may be
 4.32 transferred to the accommodation account
 4.33 established in Minnesota Statutes, section
 4.34 16B.4805.

5.1	<u>Subd. 3. Strategic Management Services</u>	<u>2,639,000</u>	<u>2,639,000</u>
5.2	<u>Subd. 4. Fiscal Agent</u>	<u>17,270,000</u>	<u>17,271,000</u>
5.3	<u>The appropriations under this section are to</u>		
5.4	<u>the commissioner of administration for the</u>		
5.5	<u>purposes specified.</u>		
5.6	<u>In Lieu of Rent. \$12,566,000 the first year</u>		
5.7	<u>and \$12,567,000 the second year are for space</u>		
5.8	<u>costs of the legislature and veterans</u>		
5.9	<u>organizations, ceremonial space, and</u>		
5.10	<u>statutorily free space.</u>		
5.11	<u>Public Television. (a) \$1,550,000 each year</u>		
5.12	<u>is for matching grants for public television.</u>		
5.13	<u>(b) \$250,000 each year is for public television</u>		
5.14	<u>equipment grants under Minnesota Statutes,</u>		
5.15	<u>section 129D.13.</u>		
5.16	<u>(c) \$500,000 each year is for block grants to</u>		
5.17	<u>public television under Minnesota Statutes,</u>		
5.18	<u>section 129D.13. Of this amount, up to three</u>		
5.19	<u>percent is for the commissioner of</u>		
5.20	<u>administration to administer the grants.</u>		
5.21	<u>(d) The commissioner of administration must</u>		
5.22	<u>consider the recommendations of the</u>		
5.23	<u>Minnesota Public Television Association</u>		
5.24	<u>before allocating the amounts appropriated in</u>		
5.25	<u>paragraphs (a) and (b) for equipment or</u>		
5.26	<u>matching grants.</u>		
5.27	<u>Public Radio. (a) \$1,242,000 each year is for</u>		
5.28	<u>community service grants to public</u>		
5.29	<u>educational radio stations. This appropriation</u>		
5.30	<u>may be used to disseminate emergency</u>		
5.31	<u>information in foreign languages. Any</u>		
5.32	<u>unencumbered balance does not cancel at the</u>		

8.1 These appropriations are from the lawful
 8.2 gambling regulation account in the special
 8.3 revenue fund.

8.4 **Sec. 15. RACING COMMISSION** **\$ 954,000 \$ 954,000**

8.5 These appropriations are from the racing and
 8.6 card playing regulation accounts in the special
 8.7 revenue fund.

8.8 **Sec. 16. STATE LOTTERY**

8.9 Notwithstanding Minnesota Statutes, section
 8.10 349A.10, subdivision 3, the State Lottery's
 8.11 operating budget must not exceed \$45,000,000
 8.12 in fiscal year 2026 and \$45,000,000 in fiscal
 8.13 year 2027.

8.14 **Sec. 17. AMATEUR SPORTS COMMISSION** **\$ 401,000 \$ 411,000**

8.15 **Sec. 18. COUNCIL FOR MINNESOTANS OF**
 8.16 **AFRICAN HERITAGE** **\$ 828,000 \$ 840,000**

8.17 **Sec. 19. COUNCIL ON LATINO AFFAIRS** **\$ 693,000 \$ 705,000**

8.18 **Sec. 20. COUNCIL ON ASIAN-PACIFIC**
 8.19 **MINNESOTANS** **\$ 655,000 \$ 665,000**

8.20 **Sec. 21. INDIAN AFFAIRS COUNCIL** **\$ 1,381,000 \$ 1,402,000**

8.21 **Sec. 22. COUNCIL ON LGBTQIA2S+**
 8.22 **MINNESOTANS** **\$ 607,000 \$ 615,000**

8.23 **Sec. 23. MINNESOTA HISTORICAL**
 8.24 **SOCIETY**

8.25 **Subdivision 1. Total Appropriation** **\$ 27,126,000 \$ 27,126,000**

8.26 The amounts that may be spent for each
 8.27 purpose are specified in the following
 8.28 subdivisions.

8.29 **Subd. 2. Operations and Programs** **26,813,000 27,126,000**

8.30 Notwithstanding Minnesota Statutes, section
 8.31 138.668, the Minnesota Historical Society may
 8.32 not charge a fee for its general tours at the

9.1	<u>Capitol, but may charge fees for special</u>		
9.2	<u>programs other than general tours.</u>		
9.3	<u>Subd. 3. Fiscal Agent</u>	<u>371,000</u>	<u>371,000</u>
9.4	<u>(a) Global Minnesota</u>	<u>39,000</u>	<u>39,000</u>
9.5	<u>(b) Minnesota Air National Guard Museum</u>	<u>17,000</u>	<u>17,000</u>
9.6	<u>(c) Hockey Hall of Fame</u>	<u>100,000</u>	<u>100,000</u>
9.7	<u>(d) Farmamerica</u>	<u>165,000</u>	<u>165,000</u>
9.8	<u>(e) Minnesota Military Museum</u>	<u>50,000</u>	<u>50,000</u>
9.9	<u>Any unencumbered balance remaining in this</u>		
9.10	<u>subdivision the first year does not cancel but</u>		
9.11	<u>is available for the second year of the</u>		
9.12	<u>biennium.</u>		
9.13	Sec. 24. <u>BOARD OF THE ARTS</u>		
9.14	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 7,798,000</u>	<u>\$ 7,808,000</u>
9.15	<u>The amounts that may be spent for each</u>		
9.16	<u>purpose are specified in the following</u>		
9.17	<u>subdivisions.</u>		
9.18	<u>Subd. 2. Operations and Services</u>	<u>859,000</u>	<u>869,000</u>
9.19	<u>Subd. 3. Grants Program</u>	<u>4,800,000</u>	<u>4,800,000</u>
9.20	<u>Subd. 4. Regional Arts Councils</u>	<u>2,139,000</u>	<u>2,139,000</u>
9.21	<u>Any unencumbered balance remaining in this</u>		
9.22	<u>section the first year does not cancel, but is</u>		
9.23	<u>available for the second year.</u>		
9.24	<u>Money appropriated in this section and</u>		
9.25	<u>distributed as grants may only be spent on</u>		
9.26	<u>projects located in Minnesota. A recipient of</u>		
9.27	<u>a grant funded by an appropriation in this</u>		
9.28	<u>section must not use more than ten percent of</u>		
9.29	<u>the total grant for costs related to travel outside</u>		
9.30	<u>the state of Minnesota.</u>		
9.31	Sec. 25. <u>MINNESOTA HUMANITIES</u>		
9.32	<u>CENTER</u>	<u>\$ 970,000</u>	<u>\$ 970,000</u>

10.1 \$500,000 each year is for Healthy Eating, Here
 10.2 at Home grants under Minnesota Statutes,
 10.3 section 138.912. No more than three percent
 10.4 of the appropriation may be used for the
 10.5 nonprofit administration of the program.

10.6 **Sec. 26. BOARD OF ACCOUNTANCY** \$ **873,000** \$ **887,000**

10.7 **Sec. 27. BOARD OF ARCHITECTURE,**
 10.8 **ENGINEERING, LAND SURVEYING,**
 10.9 **LANDSCAPE ARCHITECTURE,**
 10.10 **GEOSCIENCE, AND INTERIOR DESIGN** \$ **928,000** \$ **943,000**

10.11 **Sec. 28. BOARD OF COSMETOLOGIST**
 10.12 **EXAMINERS** \$ **3,654,000** \$ **3,711,000**

10.13 **Sec. 29. BOARD OF BARBER EXAMINERS** \$ **459,000** \$ **466,000**

10.14 **Sec. 30. CHILDREN, YOUTH, AND**
 10.15 **FAMILIES.** \$ **55,000** \$ **-0-**

10.16 \$55,000 the first year is to integrate the transit
 10.17 assistance program into the MNbenefits web
 10.18 portal under article 2.

10.19 **Sec. 31. GENERAL CONTINGENT**
 10.20 **ACCOUNTS** \$ **2,000,000** \$ **500,000**

10.21	<u>Appropriations by Fund</u>		
10.22		<u>2026</u>	<u>2027</u>
10.23	<u>General</u>	<u>1,500,000</u>	<u>-0-</u>
10.24	<u>State Government</u>		
10.25	<u>Special Revenue</u>	<u>400,000</u>	<u>400,000</u>
10.26	<u>Workers'</u>		
10.27	<u>Compensation</u>	<u>100,000</u>	<u>100,000</u>

10.28 (a) The general fund base for this
 10.29 appropriation is \$1,500,000 in fiscal year 2028
 10.30 and each even-numbered fiscal year thereafter.
 10.31 The base is \$0 for fiscal year 2029 and each
 10.32 odd-numbered fiscal year thereafter.

10.33 (b) The appropriations in this section may only
 10.34 be spent with the approval of the governor
 10.35 after consultation with the Legislative

11.1	<u>Advisory Commission pursuant to Minnesota</u>			
11.2	<u>Statutes, section 3.30.</u>			
11.3	<u>(c) If an appropriation in this section for either</u>			
11.4	<u>year is insufficient, the appropriation for the</u>			
11.5	<u>other year is available for it.</u>			
11.6	Sec. 32. <u>TORT CLAIMS</u>	\$	<u>161,000</u>	\$ <u>161,000</u>
11.7	<u>These appropriations are to be spent by the</u>			
11.8	<u>commissioner of management and budget</u>			
11.9	<u>according to Minnesota Statutes, section</u>			
11.10	<u>3.736, subdivision 7. If an appropriation in</u>			
11.11	<u>this section for either year is insufficient, the</u>			
11.12	<u>appropriation for the other year is available</u>			
11.13	<u>for it.</u>			
11.14	Sec. 33. <u>MINNESOTA STATE RETIREMENT</u>			
11.15	<u>SYSTEM</u>			
11.16	Subdivision 1. <u>Total Appropriation</u>	\$	<u>15,064,000</u>	\$ <u>15,154,000</u>
11.17	<u>The amounts that may be spent for each</u>			
11.18	<u>purpose are specified in the following</u>			
11.19	<u>subdivisions.</u>			
11.20	Subd. 2. <u>Combined Legislators and</u>			
11.21	<u>Constitutional Officers Retirement Plan</u>		<u>9,064,000</u>	<u>9,154,000</u>
11.22	<u>Under Minnesota Statutes, sections 3A.03,</u>			
11.23	<u>subdivision 2; 3A.04, subdivisions 3 and 4;</u>			
11.24	<u>and 3A.115.</u>			
11.25	Subd. 3. <u>Judges Retirement Plan</u>		<u>6,000,000</u>	<u>6,000,000</u>
11.26	<u>For transfer to the judges retirement fund</u>			
11.27	<u>under Minnesota Statutes, section 490.123.</u>			
11.28	<u>This transfer continues each fiscal year until</u>			
11.29	<u>the judges retirement plan reaches 100 percent</u>			
11.30	<u>funding as determined by an actuarial</u>			
11.31	<u>valuation prepared according to Minnesota</u>			
11.32	<u>Statutes, section 356.214.</u>			
11.33	Sec. 34. <u>PUBLIC EMPLOYEES RETIREMENT</u>			
11.34	<u>ASSOCIATION</u>	\$	<u>25,000,000</u>	\$ <u>25,000,000</u>

12.1 (a) \$9,000,000 each year is for direct state aid
 12.2 to the public employees police and fire
 12.3 retirement plan authorized under Minnesota
 12.4 Statutes, section 353.65, subdivision 3b.

12.5 (b) State payments from the general fund to
 12.6 the Public Employees Retirement Association
 12.7 on behalf of the former MERF division
 12.8 account are \$16,000,000 on September 15,
 12.9 2026, and \$16,000,000 on September 15,
 12.10 2027. These amounts are estimated to be
 12.11 needed under Minnesota Statutes, section
 12.12 353.505.

12.13	<u>Sec. 35. TEACHERS RETIREMENT</u>			
12.14	<u>ASSOCIATION</u>	<u>\$</u>	<u>29,831,000</u>	<u>\$</u>
				<u>29,831,000</u>

12.15 The amounts estimated to be needed are as
 12.16 follows.

12.17 **Special Direct State Aid.** \$27,331,000 each
 12.18 year is for special direct state aid authorized
 12.19 under Minnesota Statutes, section 354.436.

12.20 **Special Direct State Matching Aid.**
 12.21 \$2,500,000 each year is for special direct state
 12.22 matching aid authorized under Minnesota
 12.23 Statutes, section 354.435.

12.24	<u>Sec. 36. ST. PAUL TEACHERS RETIREMENT</u>			
12.25	<u>FUND</u>	<u>\$</u>	<u>14,827,000</u>	<u>\$</u>
				<u>14,827,000</u>

12.26 The amounts estimated to be needed for
 12.27 special direct state aid to the first class city
 12.28 teachers retirement fund association authorized
 12.29 under Minnesota Statutes, section 354A.12,
 12.30 subdivisions 3a and 3c.

12.31 Sec. 37. Laws 2023, chapter 62, article 1, section 11, subdivision 2, is amended to read:

12.32	Subd. 2. Government and Citizen Services	39,928,000	19,943,000
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13.1 The base for this appropriation is \$17,268,000
13.2 in fiscal year 2026 and \$17,280,000 in fiscal
13.3 year 2027.

13.4 **Council on Developmental Disabilities.**

13.5 \$222,000 each year is for the Council on
13.6 Developmental Disabilities.

13.7 **State Agency Accommodation**

13.8 **Reimbursement.** \$200,000 each year may be
13.9 transferred to the accommodation account
13.10 established in Minnesota Statutes, section
13.11 16B.4805.

13.12 **Disparity Study.** \$500,000 the first year and
13.13 \$1,000,000 the second year are to conduct a
13.14 study on disparities in state procurement. This
13.15 is a onetime appropriation.

13.16 **Grants Administration Oversight.**

13.17 \$2,411,000 the first year and \$1,782,000 the
13.18 second year are for grants administration
13.19 oversight. The base for this appropriation in
13.20 fiscal year 2026 and each year thereafter is
13.21 \$1,581,000.

13.22 \$735,000 the first year and \$201,000 the
13.23 second year are for a study to develop a road
13.24 map on the need for an enterprise grants
13.25 management system and to implement the
13.26 study's recommendation. This is a onetime
13.27 appropriation.

13.28 **Risk Management Fund Property**

13.29 **Self-Insurance.** \$12,500,000 the first year is
13.30 for transfer to the risk management fund under
13.31 Minnesota Statutes, section 16B.85. This is a
13.32 onetime appropriation.

13.33 **Office of Enterprise Translations.**

13.34 \$1,306,000 the first year and \$1,159,000 the

14.1 second year are to establish the Office of
14.2 Enterprise Translations. \$250,000 each year
14.3 may be transferred to the language access
14.4 service account established in Minnesota
14.5 Statutes, section 16B.373.

14.6 **Capitol Mall Design Framework**

14.7 **Implementation.** \$5,000,000 the first year is
14.8 to implement the updated Capitol Mall Design
14.9 Framework, prioritizing the framework plans
14.10 identified in article 2, section 124. This
14.11 appropriation is available until ~~December 31,~~
14.12 2024 June 30, 2026.

14.13 **Parking Fund.** \$3,255,000 the first year and
14.14 \$1,085,000 the second year are for a transfer
14.15 to the state parking account to maintain the
14.16 operations of the parking and transit program
14.17 on the Capitol complex. These are onetime
14.18 transfers.

14.19 **Procurement; Environmental Analysis and**

14.20 **Task Force.** \$522,000 the first year and
14.21 \$367,000 the second year are to implement
14.22 the provisions of Minnesota Statutes, section
14.23 16B.312.

14.24 **Center for Rural Policy and Development.**

14.25 \$100,000 the first year is for a grant to the
14.26 Center for Rural Policy and Development.

14.27 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2024.

14.28 Sec. 38. Laws 2023, chapter 62, article 1, section 47, is amended to read:

14.29 Sec. 47. **ST. ANTHONY FALLS STUDY.**

14.30 \$1,000,000 in fiscal year 2024 is appropriated from the general fund to the Board of
14.31 Regents of the University of Minnesota for a geophysical study and hazard assessment of
14.32 the St. Anthony Falls area and St. Anthony Falls cutoff wall. The study must include a

15.1 field-based investigation of the cutoff wall and other subsurface structures, modeling of the
 15.2 surrounding area, examination of public safety and infrastructure risks posed by potential
 15.3 failure of the cutoff wall or surrounding area, and emergency response plan for identified
 15.4 risks. By conducting this study, the Board of Regents does not consent to accepting liability
 15.5 for the current condition or risks posed by a potential failure of the cutoff wall. By July 1,
 15.6 ~~2025~~ 2026, the Board of Regents must submit a report to the legislative committees with
 15.7 jurisdiction over state and local government policy and finance. This appropriation is
 15.8 available until June 30, ~~2025~~ 2026.

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

15.10 Sec. 39. Laws 2024, chapter 127, article 67, section 6, is amended to read:

15.11 **Sec. 6. COMMISSIONER OF MANAGEMENT**
 15.12 **AND BUDGET**

15.13	Appropriations by Fund	
15.14	2024	2025
15.15 General	-0-	(232,000)
15.16 Health Care Access	-0-	100,000

15.17 (a) **Insulin safety net program.** \$100,000 in
 15.18 fiscal year 2025 is from the health care access
 15.19 fund for the insulin safety net program in
 15.20 Minnesota Statutes, section 151.74.

15.21 (b) **Transfer.** The commissioner must transfer
 15.22 from the health care access fund to the insulin
 15.23 ~~safety net program~~ repayment account in the
 15.24 special revenue fund the amount certified by
 15.25 the commissioner of administration under
 15.26 Minnesota Statutes, section 151.741,
 15.27 subdivision 5, paragraph (b), estimated to be
 15.28 \$100,000 in fiscal year 2025, for
 15.29 reimbursement to manufacturers for insulin
 15.30 dispensed under the insulin safety net program
 15.31 in Minnesota Statutes, section 151.74. The
 15.32 base for this transfer is estimated to be
 15.33 \$100,000 in fiscal year 2026 and \$100,000 in
 15.34 fiscal year 2027.

16.1 (c) **Base Level Adjustment.** The health care
 16.2 access fund base is increased by \$100,000 in
 16.3 fiscal year 2026 and increased by \$100,000 in
 16.4 fiscal year 2027.

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

16.6 **ARTICLE 2**
 16.7 **STATE GOVERNMENT STATUTORY PROVISIONS**

16.8 Section 1. Minnesota Statutes 2024, section 3.099, subdivision 3, is amended to read:

16.9 Subd. 3. **Leaders.** The senate Committee on Rules and Administration for the senate
 16.10 and the house of representatives Committee on Rules and Legislative Administration for
 16.11 the house of representatives may each designate for their respective body up to ~~five~~ six
 16.12 leadership positions to receive up to 140 percent of the compensation of other members.

16.13 At the commencement of each biennial legislative session, each house of the legislature
 16.14 shall adopt a resolution designating its majority and minority leader.

16.15 The majority leader is the person elected by the caucus of members in each house which
 16.16 is its largest political affiliation. The minority leader is the person elected by the caucus
 16.17 which is its second largest political affiliation.

16.18 **EFFECTIVE DATE.** This section is effective retroactively from January 14, 2025.

16.19 Sec. 2. Minnesota Statutes 2024, section 3.971, is amended by adding a subdivision to
 16.20 read:

16.21 Subd. 10. **Implementation of audit recommendations.** (a) By February 1 each year,
 16.22 as resources permit, the legislative auditor must submit a report to the chairs and ranking
 16.23 minority members of the legislative committees with fiscal jurisdiction over an entity subject
 16.24 to audit under this section. The report must detail whether the entity has implemented any
 16.25 recommendations identified by the legislative auditor during the prior five years in a financial
 16.26 audit, program evaluation, or special review.

16.27 (b) By July 1 each year, as resources permit, the legislative auditor must submit a report
 16.28 to designated legislators listing the standing committees in the senate and the house of
 16.29 representatives to which the legislative auditor did or did not present their reports under
 16.30 paragraph (a) in a public hearing. For purposes of this paragraph, "designated legislators"
 16.31 means the chairs and ranking minority members of the senate Committees on State
 16.32 Government Policy and Finance, Rules and Administration, and Finance, and the house of

17.1 representatives Committees on State Government Finance and Policy, Rules and Legislative
17.2 Administration, and Ways and Means.

17.3 **Sec. 3. [4.048] HEALTHY AGING SUBCABINET.**

17.4 Subdivision 1. **Establishment.** The Healthy Aging Subcabinet is established in Minnesota
17.5 Management and Budget. The subcabinet is a distinct entity, separately identifiable from
17.6 other state agencies and is dedicated to ensuring all people in Minnesota age with dignity
17.7 and have equitable opportunities for the best possible health and well-being throughout the
17.8 life-course.

17.9 Subd. 2. **Membership; chair.** The subcabinet consists of the heads of the state agencies
17.10 that administer policies that impact aging Minnesotans, as determined by the governor in
17.11 consultation with the director appointed under subdivision 5. The director is the chair of
17.12 the subcabinet.

17.13 Subd. 3. **Purpose.** The purpose of the subcabinet is to:

17.14 (1) assist in the design of a statewide planning process for a Minnesota Healthy Aging
17.15 Plan under subdivision 10;

17.16 (2) engage public participation in creating policy solutions for identified challenges and
17.17 opportunities related to aging in communities and living in one's own home;

17.18 (3) identify opportunities within state government to improve quality of life for older
17.19 adults and promote healthy aging for all Minnesotans; and

17.20 (4) serve as a resource to the legislature on policies and practices that will enhance the
17.21 aging experience for all Minnesotans.

17.22 Subd. 4. **Duties.** Led by the director, and in consultation with the Citizens' Engagement
17.23 Council appointed under subdivision 6, the subcabinet must perform the following duties:

17.24 (1) integrate aging-related considerations into state agency planning, decision-making,
17.25 and measurable outcomes for service delivery processes;

17.26 (2) promote the adoption of evidence-based approaches and policies that support healthy
17.27 aging across the public and private sectors;

17.28 (3) ensure that member agencies conduct community engagement to inform strategic
17.29 plans for each agency;

17.30 (4) identify federal and state funding for programs that address the negative impact of
17.31 social determinants of health and well-being for Minnesotans and those that would

18.1 significantly benefit from community strategies that prevent or delay disability and that
18.2 enable quality-of-life outcomes throughout the life span;

18.3 (5) identify areas of potential savings through economic and community development
18.4 and resource planning for an aging demographic;

18.5 (6) evaluate the impact on healthy aging of current aging related initiatives in public
18.6 and private sectors including housing, transit and workforce programs designed for older
18.7 adults, and community health efforts in order to inform the Minnesota Healthy Aging Plan;

18.8 (7) coordinate with local and state agencies and Tribal Nations and analyze the health
18.9 care delivery system for oral health, chronic and acute health conditions, and palliative and
18.10 end-of-life care to identify and address access issues throughout Minnesota;

18.11 (8) in consultation with Tribal Nations, analyze the extent of family caregiving in private
18.12 and public sectors to determine the need for greater support through aging policies initiated
18.13 in the public and private sectors;

18.14 (9) with the ombudsman for long-term care, evaluate the oversight process of long-term
18.15 care facilities, assisted living residences, and home-care agencies to ensure public safety
18.16 and accountability;

18.17 (10) develop a transparency policy that tracks the use of government funding for
18.18 long-term care to ensure state funding is used as intended;

18.19 (11) monitor and evaluate strategies and findings for progress reports during the planning
18.20 process to be posted on the subcabinet's website; and

18.21 (12) with the ombudsman for long-term care, evaluate the need for additional long-term
18.22 care services and training and recruitment of long-term care providers throughout the state.

18.23 Subd. 5. **Director; Office of Healthy Aging; staffing; duties.** (a) The governor must
18.24 appoint a director to establish and lead an Office of Healthy Aging and serve as chair of the
18.25 Healthy Aging Subcabinet. The director must possess a background in public health, public
18.26 policy, and community engagement, and possess demonstrated knowledge of older adult
18.27 abilities and needed supports when living at home or in the person's community. The director
18.28 may have experience working with an aging population. The director's responsibilities at a
18.29 minimum are to:

18.30 (1) lead and coordinate the duties of the Healthy Aging Subcabinet;

18.31 (2) initiate and conduct a planning process to develop and adopt the Minnesota Healthy
18.32 Aging Plan under subdivision 10;

19.1 (3) appoint members of, and provide support to, the Citizens' Engagement Council under
19.2 subdivision 6;

19.3 (4) ensure community discussions across public and private sectors and with Tribal
19.4 governments and the Indian Affairs Council to inform policy recommendations for the
19.5 Minnesota Healthy Aging Plan under subdivision 10;

19.6 (5) ensure that the Minnesota Healthy Aging Plan under subdivision 10 reflects the
19.7 perspectives of older adults, caregivers, health care and service providers, and advocacy
19.8 organizations regarding the community development required to support older adults living
19.9 at home and aging in the community;

19.10 (6) explore initiatives that enhance opportunities for an aging adult, regardless of age,
19.11 income, or ability level, to live in the adult's own home and community if desired and safe;

19.12 (7) make efforts to break down silos and work across agencies to better target the state's
19.13 role in addressing issues impacting aging in Minnesota communities; and

19.14 (8) establish and manage external partnerships and build relationships with communities,
19.15 community leaders, and those who have direct experience with aging to ensure that all
19.16 voices are represented in the work of the subcabinet, office, and Citizens' Engagement
19.17 Council.

19.18 (b) The director may secure professional development and training opportunities to
19.19 promote community development initiatives that address aging-related issues and support
19.20 the Healthy Aging Subcabinet.

19.21 (c) The director may hire and compensate out of available funds additional staff as
19.22 necessary to support the office and conduct the planning process. Staff members must
19.23 possess relevant expertise and experience in areas such as aging services, policy analysis,
19.24 community health, and community development and engagement. The director serves in
19.25 the unclassified service.

19.26 Subd. 6. **Citizens' Engagement Council; public engagement.** (a) The director must
19.27 appoint a Citizens' Engagement Council composed of 20 diverse members from different
19.28 geographic regions and demographic groups, including older adults, caregivers, elder
19.29 advocates, the Minnesota area agencies on aging, Tribal Nations, county agencies, nonprofit
19.30 services, and business sectors. At least ten members of the council must be older adults,
19.31 caregivers, or elder advocates, and these members may not otherwise represent a specific
19.32 agency, service, or business sector. The purpose of the council is to:

20.1 (1) ensure the voices and perspectives of older adults are included in the recommended
20.2 initiatives and policies for implementing the Minnesota Healthy Aging Plan under subdivision
20.3 10;

20.4 (2) provide feedback to the subcabinet on current aging-related programs and services,
20.5 identifying areas for improvements and innovations; and

20.6 (3) provide ongoing input, advice, and strategies for the planning process to engage
20.7 older Minnesotans and their families.

20.8 (b) Except where otherwise provided in this section, the terms, compensation, and
20.9 removal of council members is governed by section 15.059. A member participating in
20.10 council activities in the ordinary course of the member's employment is not entitled to
20.11 compensation from the council.

20.12 Subd. 7. **Discretionary powers.** The office may apply for and receive grants from public
20.13 sources and private foundations, award grants, and enter into contracts subject to applicable
20.14 law.

20.15 Subd. 8. **Staff and administrative support.** The commissioner of management and
20.16 budget, in coordination with other state agencies and boards as applicable, must provide
20.17 staffing and administrative support to the Healthy Aging Subcabinet, the Office of Healthy
20.18 Aging, and the Citizens' Engagement Council.

20.19 Subd. 9. **Public awareness.** In order to promote public engagement, the Office of Healthy
20.20 Aging shall maintain a website and publish annual reports about the work of the office. The
20.21 office shall also share on its website ideas for how Minnesotans can become involved with
20.22 and informed on aging issues. By use of this medium, the office shall gather ideas from the
20.23 public on needed programs for healthy aging in the community.

20.24 Subd. 10. **The Minnesota Healthy Aging Plan.** The Office of Healthy Aging must
20.25 adopt a plan entitled the Minnesota Healthy Aging Plan. A draft plan must be published no
20.26 later than June 30, 2027, and a final plan must be adopted and published no later than January
20.27 15, 2028. The Minnesota Healthy Aging Plan shall include recommendations from Citizens'
20.28 Engagement Council and subcabinet members that support the health and well-being of
20.29 older Minnesotans, their contributions, and their health care needs as follows:

20.30 (1) community-based initiatives that support living in one's own home and community
20.31 if desired, regardless of age, income, or ability level, and as safely, independently, and
20.32 comfortably as possible;

21.1 (2) community-based initiatives with public and private sector funding that provide older
21.2 adults the choice to remain in and contribute to their communities with needed supports
21.3 including access to health care and food, independent housing options, opportunities to
21.4 socialize, innovative residential options for long-term care, and safe and affordable
21.5 transportation;

21.6 (3) public policies that recommend systemwide improvements for safe and affordable
21.7 housing options and transportation, innovative market-rate housing options, removal of
21.8 employment barriers and increased opportunities for an aging workforce, outdoor recreational
21.9 opportunities, broadband communications, and health care that includes mental health and
21.10 oral health;

21.11 (4) public policies that address the current and future demand for home care, assisted
21.12 living and skilled nursing facilities, and innovations for community-based long-term care
21.13 services; workforce training, recruitment and employment opportunities throughout
21.14 Minnesota; and professional education opportunities for long-term care providers;

21.15 (5) public and private sector resource management policies that would implement
21.16 community health strategies to address social determinants of health and well-being;

21.17 (6) state agencies' strategic plans that drive innovations for healthy aging in communities
21.18 across the lifespan;

21.19 (7) ongoing aging policy coordination and oversight within state and county agencies
21.20 and in coordination with Tribal Nations, local communities, and the private sector;

21.21 (8) measures to ensure ongoing monitoring and evaluation of the impact of healthy aging
21.22 policies and programs in order to make improvements and recommend further innovations;

21.23 (9) recommendations for full implementation of the Minnesota Healthy Aging Plan that
21.24 includes administration, staffing, and appropriations; and

21.25 (10) measures to evaluate the success and impact of the Minnesota Healthy Aging Plan.

21.26 Subd. 11. **Annual report.** By January 15 of each year, the office must submit a report
21.27 to the governor and the chairs and ranking minority members of the legislative committees
21.28 with primary jurisdiction over healthy aging policy and funding detailing the activities of
21.29 the office for the preceding year with legislative recommendations for the coming year.

22.1 Sec. 4. Minnesota Statutes 2024, section 8.16, subdivision 1, is amended to read:

22.2 Subdivision 1. **Authority.** (a) The attorney general, or any deputy, assistant, or special
22.3 assistant attorney general whom the attorney general authorizes in writing, has the authority
22.4 in any county of the state to subpoena and require the production of:

22.5 (1) any records of:

22.6 (i) telephone companies, cellular phone companies, and paging companies;

22.7 (ii) subscribers of private computer networks, including Internet service providers or
22.8 computer bulletin board systems;

22.9 (iii) electric companies, gas companies, and water utilities;

22.10 (iv) chemical suppliers;

22.11 (v) hotels and motels;

22.12 (vi) pawn shops;

22.13 (vii) airlines, buses, taxis, and other entities engaged in the business of transporting
22.14 people; and

22.15 (viii) freight companies, self-service storage facilities, warehousing companies, package
22.16 delivery companies, and other entities engaged in the businesses of transport, storage, or
22.17 delivery, and;

22.18 (2) wage and employment records;

22.19 (3) records of the existence of safe deposit box account numbers and customer savings
22.20 and checking account numbers maintained by financial institutions and safe deposit
22.21 companies;

22.22 (4) insurance records related to claim settlement; and

22.23 (5) the banking, credit card, and financial records, including but not limited to a safe
22.24 deposit, loan and account application and agreement, signature card, statement, check,
22.25 transfer, account authorization, safe deposit access record, and documentation of fraud, that
22.26 belong to the subject of an investigation conducted pursuant to the attorney general's authority
22.27 under section 256B.12, whether the record is held in the investigation subject's name or in
22.28 another person's name.

22.29 (b) Subpoenas may only be issued for records that are relevant to an ongoing legitimate
22.30 law enforcement investigation.

23.1 Sec. 5. Minnesota Statutes 2024, section 16A.057, subdivision 5, is amended to read:

23.2 Subd. 5. **Monitoring Office of the Legislative Auditor audits.** (a) The commissioner
23.3 must review audit reports from the Office of the Legislative Auditor and take appropriate
23.4 steps to address internal control problems found in executive agencies.

23.5 (b) The commissioner must submit a report to the legislative auditor no later than
23.6 September 1 of each year detailing the implementation status of all recommendations
23.7 identified in an auditor's financial audit, program evaluation, or special review during the
23.8 prior five years. The report must include a specific itemization of recommendations that
23.9 have not been implemented during that period, along with the basis for that decision.

23.10 Sec. 6. Minnesota Statutes 2024, section 240.131, subdivision 7, is amended to read:

23.11 Subd. 7. **Payments to state.** (a) A regulatory fee is imposed at the rate of ~~one~~ two percent
23.12 of all amounts wagered by Minnesota residents with an authorized advance deposit wagering
23.13 provider. The fee shall be declared on a form prescribed by the commission. The ADW
23.14 provider must pay the fee to the commission no more than 15 days after the end of the month
23.15 in which the wager was made. Fees collected under this paragraph must be deposited in the
23.16 state treasury and credited to a racing and card-playing regulation account in the special
23.17 revenue fund and are appropriated to the commission to offset the costs incurred by the
23.18 commission as described in section 240.30, subdivision 9, or the costs associated with
23.19 regulating horse racing and pari-mutuel wagering in Minnesota.

23.20 (b) A breeders fund fee is imposed in the amount of one-quarter of one percent of all
23.21 amounts wagered by Minnesota residents with an authorized advance deposit wagering
23.22 provider. The fee shall be declared on a form prescribed by the commission. The ADW
23.23 provider must pay the fee to the commission no more than 15 days after the end of the month
23.24 in which the wager was made. Fees collected under this paragraph must be deposited in the
23.25 state treasury and credited to a racing and card-playing regulation account in the special
23.26 revenue fund and are appropriated to the commission to offset the cost of administering the
23.27 breeders fund, to support racehorse adoption, retirement, and repurposing, and promote
23.28 horse breeding in Minnesota.

23.29 Sec. 7. Minnesota Statutes 2024, section 256B.12, is amended to read:

23.30 **256B.12 LEGAL REPRESENTATION.**

23.31 The attorney general or the appropriate county attorney appearing at the direction of the
23.32 attorney general shall be the attorney for the state agency, and the county attorney of the

24.1 appropriate county shall be the attorney for the local agency in all matters pertaining hereto.
24.2 To prosecute under this chapter or sections ~~609.466~~ and 609.467; 609.52, subdivision 2;
24.3 and 609.542, or to recover payments wrongfully made under this chapter, the attorney
24.4 general or the appropriate county attorney, acting independently or at the direction of the
24.5 attorney general may institute a criminal or civil action.

24.6 Sec. 8. Minnesota Statutes 2024, section 326A.03, subdivision 6, is amended to read:

24.7 Subd. 6. **Certificate; required education and experience until July 1, 2030**. (a) On
24.8 or after July 1, 2006, and before July 1, 2030, a person who has passed the examination
24.9 required in this section must be granted a certificate as a certified public accountant provided:
24.10 (1) the person certifies to the board that the person has completed at least 150 semester or
24.11 225 quarter hours at a college or university that is fully accredited by a recognized accrediting
24.12 agency listed with the United States Department of Education, or an equivalent accrediting
24.13 association, and has completed at least one year of experience of the type specified in
24.14 paragraph (b); (2) the board verifies the certifications; and (3) the person complies with
24.15 requirements for initial issuance of the certificate as a certified public accountant as
24.16 prescribed by the board by rule.

24.17 (b) An applicant for initial issuance of a certificate under this subdivision shall show
24.18 that the applicant has had one year of experience. Acceptable experience includes providing
24.19 any type of service or advice involving the use of accounting, attest, compilation,
24.20 management advisory, financial advisory, tax, or consulting skills, as verified by a licensee
24.21 and meeting requirements prescribed by the board by rule. Acceptable experience may be
24.22 gained through employment in government, industry, academia, or public practice.
24.23 Experience as an auditor in the Office of the Legislative Auditor or State Auditor, as verified
24.24 by a licensee, shall be acceptable experience.

24.25 (c) This subdivision expires July 1, 2030.

24.26 Sec. 9. Minnesota Statutes 2024, section 326A.03, is amended by adding a subdivision to
24.27 read:

24.28 Subd. 6a. **Certificate; required education and experience after June 30, 2030**. (a)
24.29 On and after July 1, 2030, or during the transitional period as provided in subdivision 6b,
24.30 the board must grant a certificate as a certified public accountant to a person who has not
24.31 previously been certified and who has passed the examination required in this section if:

24.32 (1) the person certifies to the board that the person has:

25.1 (i) completed a master's degree at a college or university that is fully accredited by a
25.2 recognized accrediting agency listed with the United States Department of Education and
25.3 has completed at least one year of acceptable experience as described in paragraph (b); or

25.4 (ii) earned a bachelor's or graduate degree from a college or university that is fully
25.5 accredited by a recognized accrediting agency listed with the United States Department of
25.6 Education and has completed at least two years of acceptable experience as described in
25.7 paragraph (b);

25.8 (2) the board verifies the certification under clause (1); and

25.9 (3) the person complies with requirements as prescribed by the board for an initial
25.10 certificate.

25.11 (b) Acceptable experience includes providing any type of service or advice that involves
25.12 accounting, attest, compilation, management advisory, financial advisory, tax, or consulting
25.13 skills, as verified by a licensee and meeting requirements prescribed by the board by rule.

25.14 Acceptable experience may be gained through employment in government, industry,
25.15 academia, or public practice. Experience as an auditor in the Office of the Legislative Auditor
25.16 or the Office of the State Auditor, as verified by a licensee, is acceptable experience.

25.17 Sec. 10. Minnesota Statutes 2024, section 326A.03, is amended by adding a subdivision
25.18 to read:

25.19 Subd. 6b. **Transitional period.** (a) Until July 1, 2030, a person must be granted an initial
25.20 certificate as a certified public accountant if the person meets either:

25.21 (1) all requirements under subdivision 6; or

25.22 (2) all requirements under subdivision 6a.

25.23 (b) This subdivision expires July 1, 2030.

25.24 **EFFECTIVE DATE.** This section is effective January 1, 2026.

25.25 Sec. 11. Minnesota Statutes 2024, section 326A.14, is amended to read:

25.26 **326A.14 SUBSTANTIAL EQUIVALENCY MOBILITY.**

25.27 Subdivision 1. **Requirements.** (a) An individual whose principal place of business is
25.28 not in this state and who holds a valid license in good standing as a certified public accountant
25.29 from any state which, upon verification, is in substantial equivalence with the certified
25.30 public accountant licensure requirements of section 326A.03, subdivisions 3, 4, and 6, shall
25.31 be presumed to have qualifications substantially equivalent to this state's requirements and

26.1 shall have all the privileges of licensees of this state without the need to obtain a license,
26.2 if the person:

26.3 (1) holds a valid certificate, license, or permit to practice as a certified public accountant
26.4 that was issued in another state and is in good standing to practice as a certified public
26.5 accountant in that state;

26.6 (2) has a bachelor's degree or higher from an accredited postsecondary school with an
26.7 accounting concentration or equivalent as determined by the board by rule; and

26.8 (3) has passed the Uniform CPA Examination.

26.9 (b) Notwithstanding any contrary provision of this chapter, an individual who offers or
26.10 renders professional services, whether in person, by mail, telephone, or electronic means,
26.11 under ~~this~~ paragraph (a): (1) shall be granted practice privileges in this state; (2) is subject
26.12 to the requirements in paragraph (c); and (3) is not required to provide any notice or other
26.13 submission.

26.14 ~~(b) An individual whose principal place of business is not in this state and who holds a~~
26.15 ~~valid license in good standing as a certified public accountant from any state whose certified~~
26.16 ~~public accountant licensure qualifications, upon verification, are not substantially equivalent~~
26.17 ~~with the licensure requirements of section 326A.03, subdivisions 3, 4, and 6, shall be~~
26.18 ~~presumed to have qualifications substantially equivalent to this state's requirements and~~
26.19 ~~shall have all the privileges of licensees of this state without the need to obtain a license if~~
26.20 ~~the individual obtains verification, as specified in board rule, that the individual's~~
26.21 ~~qualifications are substantially equivalent to the licensure requirements of section 326A.03,~~
26.22 ~~subdivisions 3, 4, and 6. For purposes of this paragraph, any individual who passed the~~
26.23 ~~Uniform CPA Examination and holds a valid license issued by any other state prior to~~
26.24 ~~January 1, 2009, is exempt from the education requirement in section 326A.03, subdivision~~
26.25 ~~6, paragraph (a), provided the individual meets the education requirement in section 326A.03,~~
26.26 ~~subdivision 3. Notwithstanding any contrary provision of this chapter, an individual who~~
26.27 ~~offers or renders professional services, whether in person, by mail, telephone, or electronic~~
26.28 ~~means, under this paragraph: (1) shall, after the verification specified by adopted rules, be~~
26.29 ~~granted practice privileges in this state; (2) is subject to the requirements in paragraph (c);~~
26.30 ~~and (3) is not required to provide any notice or other submission.~~

26.31 (c) An individual licensee of another state exercising the privilege afforded under this
26.32 section and the firm which employs that licensee are deemed to have consented, as a condition
26.33 of the grant of this privilege:

26.34 (1) to the personal and subject matter jurisdiction and disciplinary authority of the board;

27.1 (2) to comply with this chapter and the board's rules;

27.2 (3) to the appointment of the state board that issued the license as the licensee's agent
27.3 upon whom process may be served in any action or proceeding by this board against the
27.4 licensee; and

27.5 (4) to cease offering or rendering professional services in this state individually and on
27.6 behalf of a firm in the event the license issued by the state of the individual's principal place
27.7 of business is no longer valid or in good standing.

27.8 (d) An individual who has been granted practice privileges under this section who
27.9 performs attest services as defined in section 326A.01, subdivision 2, clause (1), (4), or (5),
27.10 for any entity with its headquarters in this state, may only do so through a firm which has
27.11 obtained a permit under section 326A.05.

27.12 Subd. 2. **Use of title in another state.** A licensee of this state offering or rendering
27.13 services or using the CPA title in another state is subject to the same disciplinary action in
27.14 this state for which the licensee would be subject to discipline for an act committed in the
27.15 other state. The board shall investigate any complaint made by the board of accountancy
27.16 of another state.

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

27.18 Sec. 12. Minnesota Statutes 2024, section 349A.01, is amended by adding a subdivision
27.19 to read:

27.20 Subd. 13a. **Responsible lottery official.** "Responsible lottery official" means the officers,
27.21 directors, or owners of an organization, firm, partnership, or corporation that have oversight
27.22 of lottery ticket sales.

27.23 Sec. 13. Minnesota Statutes 2024, section 349A.06, subdivision 2, is amended to read:

27.24 Subd. 2. **Qualifications.** (a) The director may not contract with a retailer who is a sole
27.25 proprietor who:

27.26 (1) is under the age of 18;

27.27 (2) is in business solely as a seller of lottery tickets;

27.28 (3) owes \$500 or more in delinquent taxes as defined in section 270C.72;

27.29 (4) has been convicted within the previous five years of a felony or gross misdemeanor,
27.30 any crime involving fraud or misrepresentation, or a gambling-related offense in any
27.31 jurisdiction in the United States;

28.1 (5) is a member of the immediate family, residing in the same household, as the director
28.2 or any employee of the lottery;

28.3 (6) in the director's judgment does not have the financial stability or responsibility to
28.4 act as a lottery retailer, or whose contracting as a lottery retailer would adversely affect the
28.5 public health, welfare, and safety, or endanger the security and integrity of the lottery; or

28.6 (7) is a currency exchange, as defined in section 53A.01.

28.7 ~~A contract entered into before August 1, 1990, which violates clause (7) may continue~~
28.8 ~~in effect until its expiration but may not be renewed.~~

28.9 (b) The director may not contract with a retailer that is an organization, firm, partnership,
28.10 or corporation that:

28.11 (1) has a responsible lottery official who:

28.12 (i) is under the age of 18;

28.13 (ii) owes \$500 or more in delinquent taxes as defined in section 270C.72; or

28.14 (iii) has been convicted within the previous five years of a felony or gross misdemeanor,
28.15 any crime involving fraud or misrepresentation, or a gambling-related offense in any
28.16 jurisdiction in the United States;

28.17 ~~An organization, firm, partnership, or corporation that~~ (2) has a stockholder who owns
28.18 more than five percent of the business or the stock of the corporation, a responsible lottery
28.19 official, an officer, or a director, that does not meet the requirements of paragraph (a), clause
28.20 ~~(4), is not eligible to be a lottery retailer under this section~~ is a member of the immediate
28.21 family, residing in the same household, as the director or any employee of the lottery; or

28.22 (3)(i) is in business solely as a seller of lottery tickets;

28.23 (ii) in the director's judgment does not have the financial stability or responsibility to
28.24 act as a lottery retailer, or whose contracting as a lottery retailer would adversely affect the
28.25 public health, welfare, and safety, or endanger the security and integrity of the lottery; or

28.26 (iii) is a currency exchange, as defined in section 53A.01.

28.27 ~~(e) The restrictions under paragraph (a), clause (4), do not apply to an organization,~~
28.28 ~~partnership, or corporation if the director determines that the organization, partnership, or~~
28.29 ~~firm has terminated its relationship with the individual whose actions directly contributed~~
28.30 ~~to the disqualification under this subdivision.~~

29.1 Sec. 14. Minnesota Statutes 2024, section 349A.06, subdivision 4, is amended to read:

29.2 Subd. 4. **Criminal history.** ~~The director may request the director of alcohol and gambling~~
29.3 ~~enforcement to investigate all applicants for lottery retailer contracts to determine their~~
29.4 ~~compliance with the requirements of subdivision 2.~~

29.5 (a) Upon the director's request, an applicant for a lottery retailer contract must submit a
29.6 completed criminal history records check consent form, a full set of classifiable fingerprints,
29.7 and required fees to the director or the Bureau of Criminal Apprehension. Upon receipt of
29.8 this information, the director must submit the completed criminal history records check
29.9 consent form, full set of classifiable fingerprints, and required fees to the Bureau of Criminal
29.10 Apprehension.

29.11 (b) After receiving this information, the bureau must conduct a Minnesota criminal
29.12 history records check of the individual. The bureau is authorized to exchange the fingerprints
29.13 with the Federal Bureau of Investigation to obtain the applicant's national criminal history
29.14 record information. The bureau must return the results of the Minnesota and national criminal
29.15 history records checks to the director to determine the individual's compliance with the
29.16 requirements of subdivision 2.

29.17 (c) The director must request a Minnesota and national criminal history check for any
29.18 sole proprietor or responsible lottery official that applies to be a lottery retailer and (1) has
29.19 not undergone a check under this section within the past seven years, or (2) has had any
29.20 lapse in a contract to sell lottery tickets.

29.21 (d) The director may issue a temporary contract, valid for not more than 90 days, to an
29.22 applicant pending the completion of the investigation or a final determination of qualifications
29.23 under this section. The director has access to all criminal history data compiled by the
29.24 ~~director of alcohol and gambling enforcement~~ Bureau of Criminal Apprehension on (1) any
29.25 person holding or applying for a retailer contract, (2) any person holding a lottery vendor
29.26 contract or who has submitted a bid on such a contract, and (3) any person applying for
29.27 employment with the lottery.

29.28 Sec. 15. Minnesota Statutes 2024, section 349A.06, subdivision 11, is amended to read:

29.29 Subd. 11. **Cancellation, suspension, and refusal to renew contracts or locations.** (a)
29.30 The director shall cancel the contract of any lottery retailer or prohibit a lottery retailer from
29.31 selling lottery tickets at a business location who:

29.32 (1) has a sole proprietor or responsible lottery official that has been convicted of a felony
29.33 or gross misdemeanor in any jurisdiction in the United States;

30.1 (2) has a sole proprietor or responsible lottery official that has committed any crime
30.2 involving fraud, or misrepresentation, or ~~deceit~~ a gambling-related offense in any jurisdiction
30.3 in the United States;

30.4 (3) has provided false or misleading information to the lottery; or

30.5 (4) has acted in a manner prejudicial to public confidence in the integrity of the lottery.

30.6 (b) The director may cancel, suspend, or refuse to renew the contract of any lottery
30.7 retailer or prohibit a lottery retailer from selling lottery tickets at a business location who:

30.8 (1) changes business location;

30.9 (2) fails to account for lottery tickets received or the proceeds from tickets sold;

30.10 (3) fails to remit funds to the director in accordance with the director's rules;

30.11 (4) violates a law or a rule or order of the director;

30.12 (5) fails to comply with any of the terms in the lottery retailer's contract;

30.13 (6) fails to file a bond, securities, or a letter of credit as required under subdivision 3;

30.14 (7) in the opinion of the director fails to maintain a sufficient sales volume to justify
30.15 continuation as a lottery retailer; or

30.16 (8) has violated section 340A.503, subdivision 2, clause (1), two or more times within
30.17 a two-year period.

30.18 (c) The director may also cancel, suspend, or refuse to renew a lottery retailer's contract
30.19 or prohibit a lottery retailer from selling lottery tickets at a business location if there is a
30.20 material change in any of the factors considered by the director under subdivision 2.

30.21 (d) A contract cancellation, suspension, refusal to renew, or prohibiting a lottery retailer
30.22 from selling lottery tickets at a business location under this subdivision is a contested case
30.23 under sections 14.57 to 14.69 and is in addition to any criminal penalties provided for a
30.24 violation of law or rule.

30.25 (e) The director may temporarily suspend a contract or temporarily prohibit a lottery
30.26 retailer from selling lottery tickets at a business location without notice for any of the reasons
30.27 specified in this subdivision provided that a hearing is conducted within seven days after a
30.28 request for a hearing is made by a lottery retailer. Within 20 days after receiving the
30.29 administrative law judge's report, the director shall issue an order vacating the temporary
30.30 suspension or prohibition or making any other appropriate order. If no hearing is requested

31.1 within 30 days of the temporary suspension or prohibition taking effect, the suspension or
31.2 prohibition becomes permanent unless the director vacates or modifies the order.

31.3 **Sec. 16. [609.467] MEDICAL ASSISTANCE FRAUD.**

31.4 **Subdivision 1. Medical assistance fraud prohibited.** A person who intentionally
31.5 presents, submits, tenders, offers, or participates in the preparation of a claim for payment,
31.6 claim for reimbursement, cost report, or rate application relating to the payment of medical
31.7 assistance funds under chapter 256B knowing or having reason to know that any part of the
31.8 claim, report, or application is false is guilty of medical assistance fraud and may be
31.9 sentenced as provided in subdivision 2.

31.10 **Subd. 2. Penalties.** Whoever violates subdivision 1 may be sentenced as follows:

31.11 (1) to imprisonment of not more than 20 years, payment of a fine of not more than
31.12 \$100,000, or both if the part of any claim for payment, claim for reimbursement, cost report,
31.13 or rate application submitted, tendered, or offered that is false is more than \$35,000;

31.14 (2) to imprisonment of not more than ten years, payment of a fine of not more than
31.15 \$20,000, or both if:

31.16 (i) the part of any claim for payment, claim for reimbursement, cost report, or rate
31.17 application submitted, tendered, or offered that is false is more than \$5,000 but not more
31.18 than \$35,000; or

31.19 (ii) the part of any claim for payment, claim for reimbursement, cost report, or rate
31.20 application submitted, tendered, or offered that is false is not more than \$5,000 and the
31.21 person has been convicted within the preceding five years for an offense under this section,
31.22 section 256.98; 268.182; 609.24; 609.245; 609.247; 609.52; 609.522; 609.53; 609.582,
31.23 subdivision 1, 2, or 3; 609.625; 609.63; 609.631; or 609.821, or a statute from another state,
31.24 the United States, or a foreign jurisdiction, in conformity with any of those sections, and
31.25 the person received a felony or gross misdemeanor sentence for the offense, or a sentence
31.26 that was stayed under section 609.135 if the offense to which a plea was entered would
31.27 allow imposition of a felony or gross misdemeanor sentence; or

31.28 (3) to imprisonment of not more than five years, payment of a fine of not more than
31.29 \$10,000, or both if the part of any claim for payment, claim for reimbursement, cost report,
31.30 or rate application submitted, tendered, or offered that is false is not more than \$5,000.

31.31 **Subd. 3. Aggregation.** The total of all claims for payment, claims for reimbursement,
31.32 cost reports, and rate applications submitted, tendered, or offered in violation of subdivision
31.33 1 within any six-month period may be aggregated and the defendant charged accordingly

32.1 in applying the provisions of subdivision 2. When the same person commits two or more
 32.2 offenses in two or more counties, the accused may be prosecuted for all of the offenses
 32.3 aggregated under this subdivision in any county in which one of the offenses was committed.

32.4 Subd. 4. **Venue.** Notwithstanding anything to the contrary in section 627.01, a violation
 32.5 of this section may be prosecuted in:

32.6 (1) the county where any part of the offense occurred; or

32.7 (2) the county where the entity who received a claim for payment, claim for
 32.8 reimbursement, cost report, or rate application is located.

32.9 **EFFECTIVE DATE.** This section is effective August 1, 2025, and applies to crimes
 32.10 committed on or after that date.

32.11 Sec. 17. Minnesota Statutes 2024, section 609.52, subdivision 2, is amended to read:

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

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

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

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

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

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

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

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

33.8 ~~(v)~~ (iv) the preparation or filing of a claim for reimbursement for providing treatment
33.9 or supplies required to be furnished to an employee under section 176.135 for treatment or
33.10 supplies that the provider knew were medically unnecessary, inappropriate, or excessive;
33.11 or

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

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

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

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

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

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

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

33.29 (8) intentionally and without claim of right converts any article representing a trade
33.30 secret, knowing it to be such, to the actor's own use or that of another person or makes a
33.31 copy of an article representing a trade secret, knowing it to be such, and intentionally and
33.32 without claim of right converts the same to the actor's own use or that of another person. It
33.33 shall be a complete defense to any prosecution under this clause for the defendant to show

34.1 that information comprising the trade secret was rightfully known or available to the
34.2 defendant from a source other than the owner of the trade secret; or

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

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

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

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

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

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

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

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

34.31 (11) with the intent to prevent the identification of property involved, so as to deprive
34.32 the rightful owner of possession thereof, alters or removes any permanent serial number,
34.33 permanent distinguishing number or manufacturer's identification number on personal

35.1 property or possesses, sells or buys any personal property knowing or having reason to
35.2 know that the permanent serial number, permanent distinguishing number or manufacturer's
35.3 identification number has been removed or altered; or

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

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

35.8 (ii) attaching any unauthorized device to any cable, wire, microwave, or other component
35.9 of a licensed cable communications system as defined in chapter 238. Nothing herein shall
35.10 be construed to prohibit the electronic video rerecording of program material transmitted
35.11 on the cable communications system by a subscriber for fair use as defined by Public Law
35.12 94-553, section 107; or

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

35.16 (14) intentionally deprives another of a lawful charge for telecommunications service
35.17 by:

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

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

35.23 The existence of an unauthorized connection is prima facie evidence that the occupier
35.24 of the premises:

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

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

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

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

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

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

36.8 (19) commits wage theft under subdivision 1, clause (13).

36.9 (b) Proof that the driver of a motor vehicle into which motor fuel was dispensed drove
36.10 the vehicle from the premises of the retailer without having paid for the fuel permits the
36.11 factfinder to infer that the driver acted intentionally and without claim of right, and that the
36.12 driver intended to deprive the retailer permanently of possession of the fuel. This paragraph
36.13 does not apply if: (1) payment has been made to the retailer within 30 days of the receipt
36.14 of notice of nonpayment under section 604.15; or (2) a written notice as described in section
36.15 604.15, subdivision 4, disputing the retailer's claim, has been sent. This paragraph does not
36.16 apply to the owner of a motor vehicle if the vehicle or the vehicle's license plate has been
36.17 reported stolen before the theft of the fuel.

36.18 **EFFECTIVE DATE.** This section is effective August 1, 2025, and applies to crimes
36.19 committed on or after that date.

36.20 Sec. 18. Minnesota Statutes 2024, section 628.26, is amended to read:

36.21 **628.26 LIMITATIONS.**

36.22 (a) Indictments or complaints for any crime resulting in the death of the victim may be
36.23 found or made at any time after the death of the person killed.

36.24 (b) Indictments or complaints for a violation of section 609.25 may be found or made
36.25 at any time after the commission of the offense.

36.26 (c) Indictments or complaints for violation of section 609.282 may be found or made at
36.27 any time after the commission of the offense if the victim was under the age of 18 at the
36.28 time of the offense.

36.29 (d) Indictments or complaints for violation of section 609.282 where the victim was 18
36.30 years of age or older at the time of the offense, or 609.42, subdivision 1, clause (1) or (2),
36.31 shall be found or made and filed in the proper court within six years after the commission
36.32 of the offense.

37.1 (e) Indictments or complaints for violation of sections 609.322, 609.342 to 609.345, and
37.2 609.3458 may be found or made at any time after the commission of the offense.

37.3 (f) Indictments or complaints for violation of sections ~~609.466~~ 609.467 and 609.52,
37.4 subdivision 2, paragraph (a), clause (3), item (iii), shall be found or made and filed in the
37.5 proper court within six years after the commission of the offense.

37.6 (g) Indictments or complaints for violation of section 609.2335, 609.52, subdivision 2,
37.7 paragraph (a), clause (3), items (i) and (ii), (4), (15), or (16), 609.631, or 609.821, where
37.8 the value of the property or services stolen is more than \$35,000, or for violation of section
37.9 609.527 where the offense involves eight or more direct victims or the total combined loss
37.10 to the direct and indirect victims is more than \$35,000, shall be found or made and filed in
37.11 the proper court within five years after the commission of the offense.

37.12 (h) Except for violations relating to false material statements, representations or
37.13 omissions, indictments or complaints for violations of section 609.671 shall be found or
37.14 made and filed in the proper court within five years after the commission of the offense.

37.15 (i) Indictments or complaints for violation of sections 609.561 to 609.563, shall be found
37.16 or made and filed in the proper court within five years after the commission of the offense.

37.17 (j) Indictments or complaints for violation of section 609.746 shall be found or made
37.18 and filed in the proper court within the later of three years after the commission of the
37.19 offense or three years after the offense was reported to law enforcement authorities.

37.20 (k) In all other cases, indictments or complaints shall be found or made and filed in the
37.21 proper court within three years after the commission of the offense.

37.22 (l) The limitations periods contained in this section shall exclude any period of time
37.23 during which the defendant was not an inhabitant of or usually resident within this state.

37.24 (m) The limitations periods contained in this section for an offense shall not include any
37.25 period during which the alleged offender participated under a written agreement in a pretrial
37.26 diversion program relating to that offense.

37.27 (n) The limitations periods contained in this section shall not include any period of time
37.28 during which physical evidence relating to the offense was undergoing DNA analysis, as
37.29 defined in section 299C.155, unless the defendant demonstrates that the prosecuting or law
37.30 enforcement agency purposefully delayed the DNA analysis process in order to gain an
37.31 unfair advantage.

38.1 **Sec. 19. OPEN POSITIONS REPORT.**

38.2 The commissioner of management and budget must report the number of posted executive
38.3 branch job openings that have gone unfilled for at least six months. The commissioner's
38.4 report must identify such openings by agency and job title, and identify which specific job
38.5 titles or classes take longest to fill on average and those that experience the most turnover.
38.6 No later than February 1, 2026, August 1, 2026, and February 1, 2027, the commissioner
38.7 must submit this report to the chairs and ranking minority members of the legislative
38.8 committees with jurisdiction over state government finance and policy.

38.9 **Sec. 20. INTEGRATING APPLICATION INFORMATION AND A REFERRAL**
38.10 **PROCESS FOR THE TRANSIT ASSISTANCE PROGRAM ON THE MNBENEFITS**
38.11 **WEB PORTAL.**

38.12 No later than June 30, 2026, the commissioner of children, youth, and families, in
38.13 consultation with Metro Transit and the commissioners of transportation, human services,
38.14 and Minnesota IT Services, must integrate application information and a referral process
38.15 for the transit assistance program administered by Metro Transit into the MNbenefits web
38.16 portal. Metro Transit and the Metropolitan Council must continue to process applications
38.17 for the transit assistance program after application information and a referral process are
38.18 integrated into the MNbenefits web portal.

38.19 **Sec. 21. STATUE REPLACEMENT.**

38.20 The commissioner of administration may accept private funds, submit a request to the
38.21 Joint Committee on the Library of Congress, and erect a new statue in Statuary Hall in the
38.22 United States Capitol, including removing an existing statue from Statuary Hall and
38.23 transporting it to Minnesota, recasting an existing statue in Minnesota, and transporting and
38.24 installing the new statue in Statuary Hall. All money accepted by the commissioner under
38.25 this section must be deposited in a dedicated account in the special revenue fund and is
38.26 appropriated to the commissioner for purposes of this section. The account expires on
38.27 January 1, 2028, with any money remaining in the account at that time appropriated to the
38.28 State Arts Board for purposes of the programs and activities authorized under Minnesota
38.29 Statutes, chapter 129D.

38.30 **EFFECTIVE DATE.** This section is effective the day after the chief clerk of the house
38.31 of representatives and the secretary of the senate jointly notify the revisor of statutes and
38.32 the commissioner of administration that the state has satisfied the requirements for a statue
38.33 replacement request under United States Code, title 2, chapter 30, section 2132.

39.1 Sec. 22. **REPEALER.**

39.2 Subdivision 1. **Employee gainsharing.** Minnesota Statutes 2024, section 16A.90, is
39.3 repealed.

39.4 Subd. 2. **Advisory Council on Infrastructure.** Minnesota Statutes 2024, sections
39.5 16B.356; 16B.357; 16B.358; and 16B.359, are repealed.

39.6 Subd. 3. **CPA substantial equivalence.** Minnesota Rules, part 1105.7900, item D, is
39.7 repealed.

39.8 Subd. 4. **Medical assistance fraud.** Minnesota Statutes 2024, section 609.466, is
39.9 repealed.

39.10 **EFFECTIVE DATE.** Subdivision 3 is effective the day following final enactment.

39.11 **ARTICLE 3**

39.12 **BUSINESS FILING FRAUD AND DECEPTIVE MAILINGS**

39.13 Section 1. **[5.60] LATE RENEWAL PENALTY.**

39.14 Subdivision 1. **Late penalty.** The secretary of state may require a person to pay a late
39.15 penalty of up to \$25 when filing for renewal or reinstatement of a business entity that the
39.16 secretary of state has dissolved, terminated, or revoked due to failure to file an annual
39.17 renewal, or a business entity for which the secretary of state has canceled a certificate of
39.18 authority. The secretary of state must deposit all late penalty revenue in the account created
39.19 under subdivision 2. The late penalty is in addition to any other fee or assessment provided
39.20 by law.

39.21 Subd. 2. **Account; appropriation.** The secretary of state fraud prevention and data
39.22 security account is created in the special revenue fund. Money in the account is appropriated
39.23 to the secretary of state to:

39.24 (1) fulfill statutory and constitutional duties regarding fraud prevention and data privacy
39.25 and security, including but not limited to cyber security and the Minnesota Business Filing
39.26 Fraud Prevention Act under sections 300.70 to 300.78;

39.27 (2) ensure the accuracy and completeness of documents that are permitted or required
39.28 under law to be filed with the secretary of state; and

39.29 (3) enhance the secretary of state's information and telecommunications technology
39.30 systems and services.

40.1 Subd. 3. **Annual report.** By February 15 each year, the secretary of state must submit
40.2 a report identifying the amount of revenue collected and outcomes achieved under this
40.3 section to the chairs and ranking minority members of the legislative committees with
40.4 jurisdiction over state government finance and policy.

40.5 **EFFECTIVE DATE.** This section is effective July 1, 2025, and applies to renewal or
40.6 reinstatement applications submitted on or after that date.

40.7 Sec. 2. Minnesota Statutes 2024, section 13.485, subdivision 1, is amended to read:

40.8 Subdivision 1. **Scope.** The sections referred to in subdivisions 3 to ~~6~~ 7 are codified
40.9 outside this chapter. Those sections classify corporation data as other than public, place
40.10 restrictions on access to government data, or involve data sharing.

40.11 Sec. 3. Minnesota Statutes 2024, section 13.485, is amended by adding a subdivision to
40.12 read:

40.13 Subd. 7. **Business fraud investigations.** Government data related to investigations under
40.14 sections 300.70 to 300.78 are governed by section 300.78.

40.15 Sec. 4. **[300.70] CITATION AND DEFINITIONS.**

40.16 Subdivision 1. **Citation.** Sections 300.70 to 300.78 may be cited as the "Minnesota
40.17 Business Filing Fraud Prevention Act."

40.18 Subd. 2. **Definitions.** (a) For purposes of sections 300.70 to 300.78, the following terms
40.19 have the meanings given.

40.20 (b) "Complainant" means a person who (1) delivers a declaration of wrongful filing, and
40.21 (2) has a connection to the allegedly wrongful filing or the related business.

40.22 (c) "Filer" means the person who has allegedly made a wrongful filing.

40.23 (d) "Office" means the Office of the Secretary of State.

40.24 Sec. 5. **[300.71] DECLARATION OF WRONGFUL FILING.**

40.25 Subdivision 1. **Form and contents of declaration.** (a) A complainant may deliver a
40.26 declaration of wrongful filing to the office if the complainant believes that a document filed
40.27 under chapters 301 to 323A:

40.28 (1) was not authorized to be filed; and

41.1 (2) was filed with the intent to: (i) modify the ownership, registered agent, business
41.2 address, contact information, governance, or other information of a business on record; or
41.3 (ii) register a business using another person's name, address, or identity.

41.4 (b) A declaration of wrongful filing must include:

41.5 (1) the file number of the allegedly wrongful filing;

41.6 (2) the complainant's name, mailing address, and email address;

41.7 (3) whether the complainant is employed by or has an ownership interest in the business
41.8 that is the subject of the filing;

41.9 (4) any information or evidence supporting the complainant's allegations under this
41.10 section;

41.11 (5) a statement verifying the complainant believes in good faith that the facts stated in
41.12 the declaration are true; and

41.13 (6) any other information the office deems necessary.

41.14 (c) The office must provide a form for declarations filed under this section. A complainant
41.15 must use the provided form when submitting a declaration of wrongful filing.

41.16 (d) A false material statement of fact in a declaration of wrongful filing or any other
41.17 document submitted under sections 300.70 to 300.78 is a violation of section 609.48.

41.18 Subd. 2. **Review of declaration.** (a) The office must promptly accept or reject a
41.19 declaration of wrongful filing.

41.20 (b) The office may reject a declaration of wrongful filing that is incomplete, does not
41.21 use the provided form, or the office reasonably believes was delivered with the intent to
41.22 harass or defraud the filer. The office may reject a declaration of wrongful filing if the office
41.23 has already issued a final order on the filing identified in the declaration.

41.24 Subd. 3. **Nonexclusive remedy.** The remedy in sections 300.70 to 300.78 is not exclusive.
41.25 An aggrieved party may seek district court action regardless of whether the individual has
41.26 initiated or completed the procedure described in these sections.

41.27 Sec. 6. **[300.72] NOTICE.**

41.28 (a) When the office accepts a declaration of wrongful filing, the office must provide
41.29 notice of the declaration to the complainant and the filer. The notice must describe the
41.30 allegations made in the declaration and the process used to resolve the allegations. The
41.31 notice must prominently state the response timeline in section 300.73 and the consequences

42.1 if the filer does not respond. The notice must prominently state that a false statement of
42.2 material fact in any documents submitted under sections 300.70 to 300.78 is a violation of
42.3 section 609.48.

42.4 (b) The office must send the notice by first class mail, postage prepaid, to:

42.5 (1) the complainant at the mailing address provided in the declaration; and

42.6 (2) the filer at:

42.7 (i) the most recent registered business address associated with the filing named in the
42.8 declaration; or

42.9 (ii) if a mailing address for the filer cannot be identified, the notice may be served on
42.10 the filer as provided under section 5.25, subdivision 6.

42.11 (c) Notice is deemed received by the complainant and the filer upon mailing.

42.12 (d) If the notice to the filer is returned as undeliverable, the office may deem the filing
42.13 fraudulent and immediately issue a final order as provided under section 300.76,
42.14 notwithstanding the time period under section 300.73.

42.15 **Sec. 7. [300.73] RESPONSE.**

42.16 (a) After notice is received, the filer must respond in writing to the allegations in the
42.17 declaration. The response must be received by the office within 21 calendar days of receipt
42.18 of the notice.

42.19 (b) The filer's response under this section must include any information refuting the
42.20 allegations contained in the complainant's declaration.

42.21 **Sec. 8. [300.74] PROCEDURE WHEN NO RESPONSE RECEIVED.**

42.22 If the filer does not respond within the time period under section 300.73, the office must
42.23 deem the filing fraudulent and issue a final order as provided under section 300.76.

42.24 **Sec. 9. [300.75] PROCEDURE WHEN RESPONSE RECEIVED.**

42.25 Subdivision 1. **Preliminary determination.** (a) If the filer responds within the period
42.26 under section 300.73, the office must further investigate the allegations in the declaration
42.27 and information in the response and make a preliminary determination regarding whether
42.28 the filing named in the declaration is fraudulent.

42.29 (b) The office may request additional information from the complainant and the filer if
42.30 necessary to make the preliminary determination.

43.1 Subd. 2. **Notice of preliminary determination.** The office must send notice of the
43.2 preliminary determination to the complainant and the filer in the manner described under
43.3 section 300.72. Notice is deemed received in the manner described under section 300.72.

43.4 Subd. 3. **Response.** After notice is received, the nonprevailing party must respond to
43.5 the preliminary determination within ten calendar days with additional information or
43.6 evidence in support of the nonprevailing party's position. The prevailing party may send
43.7 additional information or evidence within the same time period. The response must be
43.8 received by the office within the time period provided under this subdivision.

43.9 Subd. 4. **Procedure if no second response is received.** If the nonprevailing party does
43.10 not respond as required under subdivision 3, the preliminary determination becomes final
43.11 and the office must issue a final order under section 300.76.

43.12 Subd. 5. **Procedure if second response is received.** If the nonprevailing party responds
43.13 as required under subdivision 3, the office must consider the additional information provided,
43.14 make a final determination regarding whether the filing named in the declaration is fraudulent,
43.15 and issue a final order under section 300.76.

43.16 Subd. 6. **Factors.** When making a preliminary or final determination under this section,
43.17 the office may consider various factors, including but not limited to:

43.18 (1) whether the office has previously received declarations of wrongful filing or issued
43.19 final orders relating to the business, the filer, or the complainant;

43.20 (2) the previous filing history relating to the business, the filer, or the complainant;

43.21 (3) whether the filer or complainant failed to respond to a request for additional
43.22 information; and

43.23 (4) whether the office is able to independently verify the information provided by the
43.24 filer or complainant using publicly available information.

43.25 **Sec. 10. [300.76] FINAL ORDER.**

43.26 Subdivision 1. **Filings deemed fraudulent.** (a) If the office deems a filing fraudulent
43.27 under section 300.74 or 300.75, the office must issue a final order under this subdivision.
43.28 The final order must provide the office's rationale for deeming the filing fraudulent.

43.29 (b) When a filing is deemed fraudulent pursuant to a final order under this subdivision,
43.30 the filing must be treated for legal purposes as if the filing never existed. In the case of a
43.31 business registered using a Minnesota resident's name, address, or identity without the
43.32 resident's authorization, the business is deemed dissolved.

- 44.1 (c) When a filing is deemed fraudulent pursuant to a final order, the office must:
- 44.2 (1) mark the unauthorized filing or the business record as unauthorized or fraudulent;
- 44.3 (2) redact names and addresses that were used without authorization; and
- 44.4 (3) retain a copy of the final order.
- 44.5 (d) In addition to the actions in paragraph (c), the office may:
- 44.6 (1) disable additional filing functionality on the business entity's record; or
- 44.7 (2) take other action the office deems necessary to prevent further unauthorized filings,
- 44.8 protect private information, or prevent misuse of unauthorized information.

44.9 Subd. 2. Filings deemed not fraudulent or insufficient evidence. If the office

44.10 determines that a filing is not fraudulent or that insufficient information is available to make

44.11 a determination, the office must issue a final order stating that the office is not removing

44.12 the filing from the database. The final order must provide the office's rationale for

44.13 determining that the filing is not fraudulent or that insufficient information is available to

44.14 make a determination.

44.15 **Sec. 11. [300.77] JUDICIAL REVIEW.**

44.16 (a) Any party who is aggrieved by a final order under section 300.76 may appeal the

44.17 order to the district court of the Minnesota county where the business that is the subject of

44.18 the final order is registered or was registered before the business's dissolution or, if the

44.19 business is not registered in Minnesota, to the district court of Ramsey County. The aggrieved

44.20 party may also appeal the final order as part of any district court action between the filer

44.21 and complainant where the filing at issue is relevant to the issues in the case.

44.22 (b) The aggrieved party must serve a written copy of a notice of appeal upon the office

44.23 and any adverse party of record within 30 calendar days after the date the final order was

44.24 issued and must also file the original notice and proof of service with the court administrator

44.25 of the district court. Service may be made in person or by mail. Service by mail is complete

44.26 upon mailing. The court administrator is prohibited from requiring a filing fee for appeals

44.27 taken pursuant to this section.

44.28 (c) The office may elect to become a party to the proceedings in the district court.

44.29 (d) The court may order that the office furnish the court and all parties to the proceedings

44.30 with a copy of the decision, the filing that is the subject of the decision, and any materials

44.31 or information submitted to the office. Any materials provided under this section that are

44.32 filed with the court must be done so under restricted access unless the court orders otherwise.

45.1 (e) A party may obtain a hearing at a special term of the district court by serving a written
45.2 notice of the hearing's time and place at least ten days before the date of the hearing.

45.3 (f) A party aggrieved by the order of the district court may appeal the order as in other
45.4 civil cases. Costs or disbursements must not be taxed against a party. A filing fee or bond
45.5 must not be required of a party.

45.6 **Sec. 12. [300.78] DATA PRACTICES.**

45.7 Subdivision 1. **Definitions.** For purposes of this section, "nonpublic data" has the meaning
45.8 given in section 13.02, subdivision 9, and "private data on individuals" has the meaning
45.9 given in section 13.02, subdivision 12.

45.10 Subd. 2. **Data classification.** Data submitted by a complainant or filer under sections
45.11 300.70 to 300.78 is classified as nonpublic data or private data on individuals. A final order
45.12 under section 300.76 is public data, subject to the following: the complainant or filer's
45.13 personal contact information is classified as private data on individuals. The unredacted
45.14 version of a filing deemed fraudulent pursuant to a final order under section 300.76,
45.15 subdivision 1, is classified as nonpublic data or private data on individuals. The version of
45.16 the filing that has been redacted pursuant to section 300.76, subdivision 1, paragraph (c),
45.17 is classified as public data.

45.18 Subd. 3. **Dissemination permitted.** Notwithstanding subdivision 2, the office may
45.19 disseminate data of any classification collected, created, or maintained under sections 300.70
45.20 to 300.78:

45.21 (1) to the attorney general to aid the office in the investigation and review of a filing
45.22 that is the subject of a declaration of wrongful filing;

45.23 (2) to a person or agency if the office determines that access to the data aids a criminal
45.24 or civil investigation; or

45.25 (3) if required or authorized by a court order or other state or federal law.

45.26 **Sec. 13. [300.80] PROHIBITION ON DECEPTIVE BUSINESS MAILINGS.**

45.27 Subdivision 1. **Definition.** For purposes of this section, "solicitation" means a
45.28 communication that is sent by a nongovernment third party to a business and that purports
45.29 to:

46.1 (1) notify the business of an operating requirement, including but not limited to filing
46.2 documents with or retrieving documents from the Office of the Minnesota Secretary of
46.3 State; or

46.4 (2) offer a service that relates to filing documents with, producing documents for, or
46.5 reporting information to the Office of the Minnesota Secretary of State.

46.6 Subd. 2. **Design and content requirements.** (a) A solicitation must:

46.7 (1) include a clear statement indicating that the solicitation is an advertisement and is
46.8 not from a government agency. The statement must be placed at the top of a physical
46.9 document or the beginning of an electronic communication and must be in at least 24-point
46.10 font. All other text in the document must be smaller than the statement required by this
46.11 clause;

46.12 (2) provide information indicating where an individual is able to directly file documents
46.13 with the secretary of state or retrieve copies of public records;

46.14 (3) disclose the name and physical address of the company sending the solicitation. The
46.15 physical address must not be a post office box; and

46.16 (4) for a mailed solicitation, prominently display in capital letters on the envelope or
46.17 outer wrapper the words "THIS IS NOT A GOVERNMENT DOCUMENT."

46.18 (b) The overall design and language of a solicitation must not:

46.19 (1) create the impression that the solicitation is an official government notice or document;

46.20 (2) incorporate the Minnesota state seal or other logo or branding of the state or any
46.21 state agency; or

46.22 (3) indicate or imply a legal duty to act on the solicitation or a penalty for failure to act
46.23 on the solicitation.

46.24 Subd. 3. **Penalties.** (a) A person who sends a solicitation that does not comply with the
46.25 requirements of this section is guilty of a misdemeanor.

46.26 (b) A violation of this section is a violation of sections 325D.43 to 325D.48.

46.27 Sec. 14. Minnesota Statutes 2024, section 609.48, subdivision 1, is amended to read:

46.28 Subdivision 1. **Acts constituting.** Whoever makes a false material statement not believing
46.29 it to be true in any of the following cases is guilty of perjury and may be sentenced as
46.30 provided in subdivision 4:

- 47.1 (1) in or for an action, hearing or proceeding of any kind in which the statement is
 47.2 required or authorized by law to be made under oath or affirmation;
- 47.3 (2) in any writing which is required or authorized by law to be under oath or affirmation;
- 47.4 (3) in any writing made according to section 358.115;
- 47.5 (4) in any writing made according to section 358.116; ~~or~~
- 47.6 (5) in any writing made according to sections 300.70 to 300.78; or
- 47.7 (6) in any other case in which the penalties for perjury are imposed by law and no specific
 47.8 sentence is otherwise provided.

47.9 Sec. 15. RULEMAKING.

47.10 The secretary of state may adopt rules to carry out the provisions of this article.
 47.11 Notwithstanding section 14.125, no time limit applies to the authority granted under this
 47.12 section.

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

47.14 Sec. 16. EFFECTIVE DATE.

47.15 Sections 2 to 12 and 14 are effective for filings made on or after January 1, 2026."

47.16 Delete the title and insert:

47.17 "A bill for an act

47.18 relating to government operations; establishing a biennial budget; appropriating
 47.19 money for the legislature, constitutional offices certain and state agencies,
 47.20 Minnesota Historical Society, Minnesota Humanities Center, State Lottery,
 47.21 retirement plans, general contingent account, and tort claims; authorizing an
 47.22 increase in certain legislative positions; establishing a Healthy Aging Subcabinet;
 47.23 modifying education requirements and mobility for public accountants; modifying
 47.24 an advanced deposit wagering fee; modifying lottery retailer contracting
 47.25 requirements; modifying provisions governing Medicaid fraud; granting the attorney
 47.26 general certain subpoena and enforcement authority; providing criminal penalties;
 47.27 authorizing statue replacement; establishing a process for fraudulent business filing
 47.28 removal; authorizing rulemaking; requiring reports; amending Minnesota Statutes
 47.29 2024, sections 3.099, subdivision 3; 3.971, by adding a subdivision; 8.16,
 47.30 subdivision 1; 13.485, subdivision 1, by adding a subdivision; 16A.057, subdivision
 47.31 5; 240.131, subdivision 7; 256B.12; 326A.03, subdivision 6, by adding
 47.32 subdivisions; 326A.14; 349A.01, by adding a subdivision; 349A.06, subdivisions
 47.33 2, 4, 11; 609.48, subdivision 1; 609.52, subdivision 2; 628.26; Laws 2023, chapter
 47.34 62, article 1, sections 11, subdivision 2; 47; Laws 2024, chapter 127, article 67,
 47.35 section 6; proposing coding for new law in Minnesota Statutes, chapters 4; 5; 300;
 47.36 609; repealing Minnesota Statutes 2024, sections 16A.90; 16B.356; 16B.357;
 47.37 16B.358; 16B.359; 609.466; Minnesota Rules, part 1105.7900, item D."