



Lawyers Legislative Ledger May 21, 2008



An update on the Minnesota State Bar Association's 2008 Legislative Agenda and other legislative activity of interest to Minnesota's legal community.

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SESSION OVERVIEW

Budget Agreement Reached

The Governor and legislative leaders announced mid-day on Sunday that after days of late night and early morning negotiations, an agreement had been reached to balance the state budget. The two parties agreed to a property tax cap of 3.9 percent, \$25 million for direct property tax relief through a tax refund program and \$60 million in local government aid. There was also a final agreement on a health care reform plan, which included some provisions of the health care reform bill that had been vetoed by the Governor earlier in the week. Both the Governor and legislative leaders characterized the 2008 session as being productive by successfully passing legislation that will benefit the people of Minnesota.

Bonding Projects Resurface at the Eleventh Hour

When the \$70 million Central Corridor light rail line project was line-item vetoed from the \$925 bonding bill by the Governor, speculation began that a second bonding bill would resurface. Representative Alice Hausman (DFL-St. Paul) and Senator Keith Langseth (DFL-Glyndon) carried companion bills that include \$70 million for the Central Corridor light rail line, \$20 million for a state park on Lake Vermillion and over \$10 million for a Minneapolis veterans' home.

Court Funding Cuts

After an agreement was reached by the Governor and legislative leadership as to how to balance the budget, the Legislature's supplemental budget bill could be finalized. The bill outlines over \$300 million in cuts in state funding for the 2008-2009 biennium. The courts will face the following annual funding cuts starting next year:

- Supreme Court: \$831,000
- Court of Appeals: \$250,000
- District Courts: \$2.8 million
- Board of Public Defense: \$1.5 million
- Civil Legal Services: \$120,000

MSBA LEGISLATIVE AGENDA

Business

The Business Law Section's legislative proposal was signed into law as Chapter 233. The Senate File was carried by lawyer-legislator Senator Linda Scheid (DFL-Brooklyn Park) and the House companion bill was carried by Representative Leon Lillie (DFL-North St. Paul).

Real Property

The Real Property Section's legislative proposals which began as S.F. 2795, authored by lawyer-legislator Senator Ron Latz (DFL-St. Louis Park) and H.F. 3134, authored by lawyer-legislator Representative Paul Thissen (DFL-Minneapolis) were incorporated into H.F. 3420/S.F. 3239 (Representative Debra Hilstrom-DFL-Brooklyn Center and lawyer-legislator Senator Mee Moua-DFL-St. Paul) which became Chapter 341.

Probate and Trust

The Probate and Trust Law Section's legislative proposals began as S.F. 3085, authored by lawyer-legislator Senator Don Betzold (DFL-Fridley) and H.F. 3125, authored by lawyer-legislator Representative Steve Simon (DFL-St. Louis Park), but like the Real Property Section's legislative proposals, were incorporated into Chapter 341 noted above.

Family

The Governor signed the Omnibus Data Practices bill into law on May 15 (Chapter 315). The Act includes restrictions on the use of social security numbers in marriage dissolution and legal separation petitions, a provision that began as S.F. 2645, carried by lawyer-legislator Senator Mee Moua (DFL-St. Paul) and H.F. 3133, carried by lawyer-legislator Representative John Lesch (DFL-St. Paul).

BILLS SIGNED BY THE GOVERNOR

Business Law:

- Chapter 188 (S.F. 1406/H.F. 1499; lawyer-legislator Senator Linda Scheid-DFL-Brooklyn Park and lawyer-legislator Representative Melissa Hortman-DFL-Brooklyn Park) enacts the Uniform Prudent Management of Institutional Funds Act.
- Chapter 203 (H.F. 3543/S.F. 3397; lawyer-legislator Representative Ryan Winkler-DFL-Golden Valley and Senator Patricia Torres Ray-DFL-Minneapolis) modifies the requirements for foreign cooperatives.
- Chapter 256 (H.F. 3306/S.F. 3174; Representative Augustine Dominguez-DFL-Minneapolis and Senator Dan Sparks-DFL-Austin) modifies provisions of the Minnesota Securities Act.
- Chapter 312 (H.F. 2789/S.F. 2379; Representative David Dill-DFL-Crane Lake and Senator Tom Bakk-DFL-Cook) modifies the reestablishment cost limit in eminent domain cases.

Civil Law:

- Chapter 185 (S.F. 181/H.F. 171; lawyer-legislator Senator Don Betzold-DFL-Fridley and lawyer-legislator Representative Paul Thissen-DFL-Minneapolis) modifies personal jurisdiction over foreign corporations and nonresident individuals.
- Chapter 214 (S.F. 2765/H.F. 2721; Senator Dan Sparks-DFL-Austin and Representative Augustine Dominguez-DFL-Minneapolis) regulates certain claim practices involving automobile insurance.

- Chapter 288 (S.F. 2824/H.F. 2553; lawyer-legislator Senator Ron Latz-DFL-St. Louis Park and lawyer-legislator Representative Ryan Winkler-DFL-Golden Valley) establishes a catastrophe survivor fund and appropriates \$38 million for victims of the I-35 bridge collapse.

Construction Law:

- Chapter 322 (S.F. 3291/H.F. 3574; Senator Tom Bakk-DFL-Cook and Representative Al Juhnke-DFL-Willmar) modifies the application and enforcement of the State Building Code.

Courts:

- Chapter 215 (S.F. 2915/H.F. 3478; lawyer-legislator Senator Mee Moua-DFL-St. Paul and Representative Neil Peterson-R-Bloomington) modifies certain civil and criminal penalties for Human Rights Act violations and mortgage fraud; respectively.
- Chapter 218 (H.F. 2627/S.F. 2399; Representative Debra Hilstrom-DFL-Brooklyn Center and Senator Linda Higgins-DFL-Minneapolis) modifies public nuisance law provisions affecting evidentiary thresholds and triggering incidents.
- Chapter 255 (H.F. 3396/S.F. 2919; lawyer-legislator Representative Steve Simon-DFL-St. Louis Park and lawyer-legislator Senator Don Betzold-DFL-Fridley) modifies time requirements for civil commitment hearings – VETOED.
- Chapter 299 (S.F. 2790/H.F. 2996; Senator Linda Higgins-DFL-Minneapolis and Representative Michael Paymar-DFL-St. Paul) Omnibus Public Safety Policy bill makes multiple policy changes including authorizing the judicial branch to accept electronic payments and collect convenience fees on credit card payments; giving the Board of Public Defense and district courts greater flexibility in the use of appropriations; establishing a working group to review, assess, and make recommendations regarding the modification and application of control substance laws; and establishing a study group regarding joint physical custody.
- Chapter 302 (S.F. 3441/H.F. 3859; lawyer-legislator Senator Mee Moua-DFL-St. Paul and Representative Michael Paymar-DFL-St. Paul) limits testimony of domestic abuse applicants without victims' consent.
- Chapter 316 (H.F. 1625/S.F. 3492; Representative Larry Hosch-DFL-St. Joseph and lawyer-legislator Senator Tarryl Clark-DFL-St. Cloud) extends the duration of orders for protection and restraining orders.

Family Law:

- Chapter 227 (S.F. 2742/H.F. 2991; lawyer-legislator Senator Mee Moua-DFL-St. Paul and lawyer-legislator Representative Steve Simon-DFL-St. Louis Park) modifies provisions of the Safe at Home program.
- Chapter 323 (S.F. 3166/H.F. 3564; Senator Patricia Torres Ray-DFL-Minneapolis and Representative Neva Walker-DFL-Minneapolis) adopts a new Interstate Compact for the Placement of Children and modifies various adoption provisions.
- Chapter 329 (H.F. 3448/S.F. 2965; Representative Kathy Tingelstad-R-Andover and Senator Linda Higgins-DFL-Minneapolis) regulates gestational carriers and assisted reproduction - VETOED.
- Chapter 330 (H.F. 3371/S.F. 3193; Representative Kathy Tingelstad-R-Andover and Senator Ann Rest-DFL-New Hope) modifies access to adoption records and original birth certificates – VETOED.

Probate Law:

- Chapter 201 (H.F. 3457/S.F. 3070; lawyer-legislator Representative Steve Simon-DFL-St. Louis Park and lawyer-legislator Senator Ron Latz-DFL-St. Louis Park) authorizes the use of debit or credit cards for custodial trust account withdrawals.

Public Law:

- Chapter 196 (S.F. 3208/H.F. 3357; lawyer-legislator Senator Mary Olson-DFL-Bemidji and Representative Paul Marquart-DFL-Dilworth) modifies municipal boundary adjustments.
- Chapter 207 (H.F. 3646/S.F. 3622; Representative Paul Marquart-DFL-Dilworth and Senator Rick Olseen-DFL-Harris) modifies Uniform Municipal Contracting Law contract threshold amounts.
- Chapter 333 (H.F. 3146/S.F. 2390; Representative Debra Hilstrom-DFL-Brooklyn Center and lawyer-legislator Senator Don Betzold-DFL-Fridley) modifies the collection and use of social security numbers.
- Chapter 335 (S.F. 3120/H.F. 3367; lawyer-legislator Senator Don Betzold-DFL-Fridley and Representative Gene Pelowski-DFL-Winona) requires closed meetings to be recorded, and permits the recovery of attorney fees.

Real Property Law:

- Chapter 174 (H.F. 3517/S.F. 2910; Representative Jim Davnie-DFL-Minneapolis and Senator Linda Higgins-DFL-Minneapolis) modifies expungement of eviction records.
- Chapter 177 (S.F. 2908/H.F. 3476; Senator Linda Higgins-DFL-Minneapolis and lawyer-legislator Representative Paul Kohls-R-Victoria) provides for certain notices relating to foreclosures on lease properties.
- Chapter 178 (H.F. 3474/S.F. 2918; Representative Debra Hilstrom-DFL-Brooklyn Center and Senator Linda Higgins-DFL-Minneapolis) modifies proof of abandonment requirements for reduced foreclosure redemption period.
- Chapter 225 (H.F. 3129/S.F. 2936; Representative Paul Marquart-DFL-Dilworth and Senator Yvonne Prettner Solon-DFL-Duluth) modifies plat requirements.
- Chapter 238 (H.F. 3516/S.F. 2914; Representative Jim Davnie-DFL-Minneapolis and Senator Ann Rest-DFL-New Hope) specifies data required in foreclosure notices and requires a report on electronic recording.
- Chapter 240 (S.F. 3214/H.F. 3774; Senator Linda Higgins-DFL-Minneapolis and Representative Augustine Dominguez-DFL-Minneapolis) clarifies the application of the Minnesota Residential Mortgage Originator and Servicer Licensing Act.
- Chapter 241 (H.F. 3839/S.F. 3154; Representative Leon Lillie-DFL-North St. Paul and lawyer-legislator Senator Linda Scheid-DFL-Brooklyn Park) modifies residential mortgage originator's requirements for verifying a borrower's ability to repay a mortgage.
- Chapter 273 (S.F. 2917/H.F. 3477; Senator John Marty-DFL-Roseville and Representative Paul Gardner-DFL-Shoreview) modifies lending practices and default regulation related to manufactured housing.
- Chapter 276 (H.F. 3236/S.F. 2881; Representative Jim Davnie-DFL-Minneapolis and lawyer-legislator Senator Linda Scheid-DFL-Brooklyn Park) regulates contracts for deed; rates of interest on certain contracts; verification of the borrower's ability to repay a mortgage; and penalties and remedies for a mortgage broker's failure to comply with their duties of agency.
- Chapter 331 (H.F. 4223/S.F. 3857; Representative Debra Hilstrom-DFL-Brooklyn Center and Senator Ann Rest-DFL-New Hope) provides for interim uses in zoning; and modifies registrars' fees for common interest communities.

Tax Law:

- Chapter 154 (S.F. 2935/H.F. 3201; Senator Tom Bakk-DFL-Cook and Representative Ann Lenczewski-DFL-Bloomington) Omnibus Tax bill.

For more information on these and other bills of interest, follow the link below, and enter the appropriate username and password below for your section. Please note, you must scroll back to the top of the page to click to the next page of bills.

<http://www.house.leg.state.mn.us/leg/billslogin.asp>

<u>Section</u>	<u>Username</u>	<u>Password</u>
Admin	MSBA-ADM	MSBAADM
Business	MSBA-BUS	MSBABUS
Civil Litigation	MSBA-CV	MSBACV
Construction	MSBA-CON	MSBACON
Courts	MSBA-CT	MSBACT
Criminal	MSBA-CR	MSBACR
Elder	MSBA-ELDER	MSBAELDER
Family	MSBA-FM	MSBAFM
General	MSBA-GEN	MSBAGEN
Human Rights	MSBA-HR	MSBAHR
Judicial	MSBA-JUD	MSBAJUD
Probate	MSBA-PROB	MSBAPROB
Public	MSBA-PUB	MSBAPUB
Public Utilities	MSBA-PU	MSBAPU
Real Property	MSBA-RP	MSBARP
Tax	MSBA-TAX	MSBATAX