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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 769

02/12/2015 Authored by Kresha, O'Driscoll, Howe, Theis, Baker and others

The bill was read for the first time and referred to the Committee on Government Operations and Elections Policy

1.1 A bill for an act

1.2 relating to state government; creating a small business compliance assistance

1.3 grant program; eliminating statutory appropriations of penalty revenue to

1.4 agencies; depositing revenue from certain penalties in a compliance assistance

1.5 account; appropriating money; amending Minnesota Statutes 2014, sections

1.6 17.102, subdivisions 4, 4a; 17A.11; 18B.05; 18C.131; 18D.323; 18G.10,

1.7 subdivision 2; 18H.17; 18J.09; 21.115; 21.92; 25.39, subdivision 4; 27.041,

1.8 subdivision 3; 32.21, subdivision 4; 34.07; 62J.536, subdivision 2b; 79A.06,

1.9 subdivision 4; 84.7741, subdivision 10; 84D.15, subdivision 2; 103B.101,

1.10 subdivision 12; 103G.27, subdivision 1; 115E.11; 144.386, subdivision 1;

1.11 144.7022, subdivision 4; 144.99, subdivision 4; 144A.472, subdivision 7;

1.12 144A.484, subdivision 8; 144E.31, subdivision 3; 153A.17; 168.27, subdivision

1.13 19a; 169.999, subdivision 5; 176.102, subdivision 3a; 176.103, subdivision 3;

1.14 176.129, subdivision 10; 176.130, subdivisions 8, 9; 176.1351, subdivision

1.15 5; 176.138; 176.139, subdivision 2; 176.181, subdivision 3; 176.182;

1.16 176.185, subdivision 5a; 176.194, subdivision 4; 176.221, subdivisions 3,

1.17 3a; 176.225, subdivision 5; 176.231, subdivision 10; 176.238, subdivision

1.18 10; 176.84, subdivision 2; 182.666, subdivision 7; 239.785, subdivision 6;

1.19 245A.10, subdivision 4; 297F.21, subdivision 3; 297G.20, subdivision 4;

1.20 297I.05, subdivision 5; 299A.80, subdivision 8; 299F.098; 299M.10; 325G.28,

1.21 subdivision 1; 341.321; 349.151, subdivision 4; proposing coding for new law in

1.22 Minnesota Statutes, chapters 16A; 116J.

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

1.24 ARTICLE 1

1.25 COMPLIANCE ASSISTANCE; PENALTY REVENUE GENERALLY

1.26 Section 1. [16A.1284] COMPLIANCE ASSISTANCE ACCOUNT; PENALTY

1.27 REVENUE; APPROPRIATION.

1.28 Subdivision 1. Creation. A compliance assistance account is established in the

1.29 special revenue fund.

1.30 Subd. 2. Definitions. (a) For purposes of this section, the following terms have

1.31 the meaning given.

2.1 (b) "Penalty revenue" means revenue from a civil or administrative penalty, fine, or
 2.2 surcharge on a civil or administrative penalty or fine that is collected by a state agency and
 2.3 deposited by law in the state treasury. When the revenue from a civil or administrative
 2.4 penalty, fine, or surcharge on a civil or administrative penalty or fine is collected by a state
 2.5 agency and distributed by law between the state and a local unit of government, penalty
 2.6 revenue means only the portion that is deposited by law in the state treasury.

2.7 (c) "State agency" has the meaning given in section 3.3005, subdivision 1.

2.8 Subd. 3. **Deposit of certain penalty revenue required.** (a) Except as provided in
 2.9 paragraph (b), and notwithstanding any law to the contrary, all penalty revenue must be
 2.10 deposited in the compliance assistance account.

2.11 (b) Paragraph (a) does not apply to penalty revenue that is deposited by law in:

2.12 (1) a constitutionally dedicated fund; or

2.13 (2) the game and fish fund or the dog and cat breeders licensing account in the
 2.14 special revenue fund.

2.15 Subd. 4. **Appropriation; transfer.** Each fiscal year, the commissioner of
 2.16 management and budget must allocate money in the compliance assistance account as
 2.17 follows:

2.18 (1) five percent is appropriated to the commissioner of employment and economic
 2.19 development to award compliance assistance grants to small businesses under section
 2.20 116J.671; and

2.21 (2) 95 percent is transferred to the general fund.

2.22 **Sec. 2. [116J.671] COMPLIANCE ASSISTANCE GRANT PROGRAM.**

2.23 Subdivision 1. **Eligibility.** The small business advocate office may award a
 2.24 compliance assistance grant to a small business with 15 or fewer employees if the small
 2.25 business was required by a state agency to make a substantial investment, relative to the
 2.26 small business's net assets, in equipment in order to comply with state law.

2.27 Subd. 2. **Process; limitation.** A small business owner must apply to the small
 2.28 business advocate office in the form required by the small business advocate office. A
 2.29 small business must not receive more than one compliance assistance grant.

2.30 Subd. 3. **Ineligible violations.** Investments made as the result of the following
 2.31 violations, as determined by the appropriate regulatory agency, are not eligible for a
 2.32 compliance assistance grant:

2.33 (1) criminal penalties;

2.34 (2) conduct that constituted fraud;

- 3.1 (3) a violation that endangered human life or presented a significant risk of major
 3.2 injury or severe emotional harm to humans; or
 3.3 (4) a violation that is part of a pattern that occurred repeatedly and demonstrated
 3.4 willful intent.

3.5 ARTICLE 2

3.6 PENALTY REVENUE DISPOSITION

3.7 Section 1. Minnesota Statutes 2014, section 17.102, subdivision 4, is amended to read:

3.8 Subd. 4. **Minnesota grown account.** The Minnesota grown account is established
 3.9 as an account in the agricultural fund. License fee receipts ~~and penalties~~ collected under
 3.10 this section must be deposited in the agricultural fund and credited to the Minnesota grown
 3.11 account. The money in the account is continuously appropriated to the commissioner
 3.12 for the direct costs of implementing the Minnesota grown program. Penalties must be
 3.13 deposited in the compliance assistance account in the special revenue fund.

3.14 Sec. 2. Minnesota Statutes 2014, section 17.102, subdivision 4a, is amended to read:

3.15 Subd. 4a. **Funding sources.** The Minnesota grown account shall consist of
 3.16 license fees, ~~penalties~~, advertising revenue, revenue from the development and sale of
 3.17 promotional materials, gifts, and appropriations.

3.18 Sec. 3. Minnesota Statutes 2014, section 17A.11, is amended to read:

3.19 **17A.11 FEES FOR LIVESTOCK WEIGHING.**

3.20 The commissioner shall prescribe the fee necessary to cover the cost of state
 3.21 weighing, to be assessed and collected from the seller in the manner the commissioner
 3.22 may prescribe. The fee assessed must be the same, and the manner of collection of the
 3.23 fee must be uniform at all facilities. At any location where state weighing is performed
 3.24 in accordance with this chapter and the total annual fees collected are insufficient to
 3.25 pay the cost of the weighing, the annual deficit shall be assessed and collected in the
 3.26 manner the commissioner may prescribe. Additional money arising from the weighing
 3.27 of animals by the commissioner, which has been collected and retained by any person,
 3.28 shall be paid on demand to the commissioner. Except for penalty revenue, all money
 3.29 collected by the commissioner shall be deposited in the agricultural fund and credited to
 3.30 the livestock weighing account. Money in the account is appropriated to the commissioner
 3.31 to carry out the duties of section 17A.10 and for activities and duties required under

4.1 chapter 31B. Penalties must be deposited in the compliance assistance account in the
 4.2 special revenue fund.

4.3 Sec. 4. Minnesota Statutes 2014, section 18B.05, is amended to read:

4.4 **18B.05 PESTICIDE REGULATORY ACCOUNT.**

4.5 Subdivision 1. **Establishment.** A pesticide regulatory account is established in the
 4.6 agricultural fund. Fees, and assessments, ~~and penalties~~ collected under this chapter must
 4.7 be deposited in the agricultural fund and credited to the pesticide regulatory account.
 4.8 Money in the account, including interest, is appropriated to the commissioner for the
 4.9 administration and enforcement of this chapter. Penalties must be deposited in the
 4.10 compliance assistance account in the special revenue fund.

4.11 Sec. 5. Minnesota Statutes 2014, section 18C.131, is amended to read:

4.12 **18C.131 FERTILIZER INSPECTION ACCOUNT.**

4.13 A fertilizer inspection account is established in the state treasury. The fees collected
 4.14 under this chapter and interest attributable to money in the account must be deposited in
 4.15 the state treasury and credited to the fertilizer inspection account in the agricultural fund.
 4.16 Money in the account, including interest earned, is appropriated to the commissioner for
 4.17 the administration and enforcement of this chapter. Penalties must be deposited in the
 4.18 compliance assistance account in the special revenue fund.

4.19 Sec. 6. Minnesota Statutes 2014, section 18D.323, is amended to read:

4.20 **18D.323 CREDITING OF PENALTIES, FEES, AND COSTS.**

4.21 Except for penalties and money repaid to the agricultural chemical response
 4.22 and reimbursement account under section 18E.04, subdivision 6, ~~penalties,~~ cost
 4.23 reimbursements, fees, and other moneys collected under this chapter must be deposited
 4.24 into the state treasury and credited to the appropriate pesticide or fertilizer regulatory
 4.25 account. Penalties must be deposited in the compliance assistance account in the special
 4.26 revenue fund.

4.27 Sec. 7. Minnesota Statutes 2014, section 18G.10, subdivision 2, is amended to read:

4.28 Subd. 2. **Disposition and use of money received.** All fees ~~and penalties~~ collected
 4.29 under this chapter and interest attributable to the money in the account must be deposited
 4.30 in the state treasury and credited to the nursery and phytosanitary account in the
 4.31 agricultural fund. Money in the account, including interest earned, is appropriated to the

5.1 commissioner for the administration and enforcement of this chapter. Penalties must be
 5.2 deposited in the compliance assistance account in the special revenue fund.

5.3 Sec. 8. Minnesota Statutes 2014, section 18H.17, is amended to read:

5.4 **18H.17 NURSERY AND PHYTOSANITARY ACCOUNT.**

5.5 A nursery and phytosanitary account is established in the state treasury. The fees
 5.6 ~~and penalties~~ collected under this chapter and interest attributable to money in the account
 5.7 must be deposited in the state treasury and credited to the nursery and phytosanitary
 5.8 account in the agricultural fund. Money in the account, including interest earned, is
 5.9 annually appropriated to the commissioner for the administration and enforcement for
 5.10 this chapter. Penalties must be deposited in the compliance assistance account in the
 5.11 special revenue fund.

5.12 Sec. 9. Minnesota Statutes 2014, section 18J.09, is amended to read:

5.13 **18J.09 CREDITING OF PENALTIES, FEES, AND COSTS.**

5.14 ~~Penalties~~, Cost reimbursements, fees, and other money collected under this chapter
 5.15 must be deposited into the state treasury and credited to the appropriate nursery and
 5.16 phytosanitary or seed account. Penalties must be deposited in the compliance assistance
 5.17 account in the special revenue fund.

5.18 Sec. 10. Minnesota Statutes 2014, section 21.115, is amended to read:

5.19 **21.115 FEES; SEED POTATO INSPECTION ACCOUNT.**

5.20 The commissioner shall fix the fees for all inspections and certifications in such
 5.21 amounts as from time to time may be found necessary to pay the expenses of carrying
 5.22 out and enforcing the purposes of sections 21.111 to 21.122, with a reasonable reserve,
 5.23 and shall require the same to be paid before such inspections or certifications are made.
 5.24 All moneys collected as fees ~~or as penalties for violations of any of the provisions of~~
 5.25 ~~such~~ under these sections shall be paid into the agricultural fund ~~and~~₂ credited to the
 5.26 seed potato inspection account ~~of the commissioner, which account is hereby created,~~₂
 5.27 and appropriated to the commissioner ~~for carrying out the~~ purposes of sections 21.111
 5.28 to 21.122. Interest, if any, received on deposits of these moneys shall be credited to the
 5.29 account, and there shall be paid into this fund any sum provided by the legislature for the
 5.30 purpose of carrying out the provisions of such sections. Penalties must be deposited in the
 5.31 compliance assistance account in the special revenue fund.

6.1 Sec. 11. Minnesota Statutes 2014, section 21.92, is amended to read:

6.2 **21.92 SEED INSPECTION ACCOUNT.**

6.3 There is established in the agricultural fund an account known as the seed inspection
6.4 account. Fees ~~and penalties~~ collected by the commissioner under sections 21.80 to 21.92
6.5 and interest attributable to money in the account shall be deposited into this account.
6.6 Money in the account, including interest earned, is appropriated to the commissioner
6.7 for the administration and enforcement of sections 21.80 to 21.92. Penalties must be
6.8 deposited in the compliance assistance account in the special revenue fund.

6.9 Sec. 12. Minnesota Statutes 2014, section 25.39, subdivision 4, is amended to read:

6.10 Subd. 4. **Commercial feed inspection account.** A commercial feed inspection
6.11 account is established in the agricultural fund. Fees ~~and penalties~~ collected under
6.12 this chapter and interest attributable to money in the account must be deposited in
6.13 the agricultural fund and credited to the commercial feed inspection account. Money
6.14 in the account, including interest earned, is appropriated to the commissioner for the
6.15 administration and enforcement of this chapter. Penalties must be deposited in the
6.16 compliance assistance account in the special revenue fund.

6.17 Sec. 13. Minnesota Statutes 2014, section 27.041, subdivision 3, is amended to read:

6.18 Subd. 3. **Account; appropriation.** A wholesale produce dealers account is created in
6.19 the agricultural fund. All fees; and charges; ~~and penalties~~ collected under sections 27.01 to
6.20 27.069 and 27.11 to 27.19, including interest attributable to that money, must be deposited
6.21 in the wholesale produce dealers account. Money in the account is appropriated to the
6.22 commissioner for the purposes of sections 27.01 to 27.069 and 27.11 to 27.19. Penalties
6.23 must be deposited in the compliance assistance account in the special revenue fund.

6.24 Sec. 14. Minnesota Statutes 2014, section 32.21, subdivision 4, is amended to read:

6.25 Subd. 4. **Penalties.** (a) A person, other than a milk producer, who violates this
6.26 section is guilty of a misdemeanor or subject to a civil penalty up to \$1,000.

6.27 (b) A milk producer may not change milk plants within 30 days, without permission
6.28 of the commissioner, after receiving notification from the commissioner under paragraph
6.29 (c) or (d) that the milk producer has violated this section.

6.30 (c) A milk producer who violates subdivision 3, clause (1), (2), (3), (4), or (5), is
6.31 subject to clauses (1) to (3) of this paragraph.

6.32 (1) Upon notification of the first violation in a 12-month period, the producer must
6.33 meet with the qualified dairy sanitarian to initiate corrective action within 30 days.

7.1 (2) Upon the second violation within a 12-month period, the producer is subject to
7.2 a civil penalty of \$300. The commissioner shall notify the producer by certified mail
7.3 stating the penalty is payable in 30 days, the consequences of failure to pay the penalty,
7.4 and the consequences of future violations.

7.5 (3) Upon the third violation within a 12-month period, the producer is subject to
7.6 an additional civil penalty of \$300 and possible revocation of the producer's permit or
7.7 certification. The commissioner shall notify the producer by certified mail that all civil
7.8 penalties owed must be paid within 30 days and that the commissioner is initiating
7.9 administrative procedures to revoke the producer's permit or certification to sell milk
7.10 for at least 30 days.

7.11 (d) The producer's shipment of milk must be immediately suspended if the producer
7.12 is identified as an individual source of milk containing residues causing a bulk load of
7.13 milk to test positive in violation of subdivision 3, clause (6) or (7). The Grade A or
7.14 manufacturing grade permit must be converted to temporary status for not more than
7.15 30 days and shipment may resume only after subsequent milk has been sampled by
7.16 the commissioner or the commissioner's agent and found to contain no residues above
7.17 established tolerances or safe levels.

7.18 The Grade A or manufacturing grade permit may be restored if the producer
7.19 completes the "Milk and Dairy Beef Residue Prevention Protocol" with a licensed
7.20 veterinarian, displays the signed certificate in the milkhouse, and sends verification to the
7.21 commissioner within the 30-day temporary permit status period. If the producer does
7.22 not comply within the temporary permit status period, the Grade A or manufacturing
7.23 grade permit must be suspended. A milk producer whose milk supply is in violation of
7.24 subdivision 3, clause (6) or (7), and has caused a bulk load to test positive is subject to
7.25 clauses (1) to (3) of this paragraph.

7.26 (1) For the first violation in a 12-month period, the penalty is the value of all milk on
7.27 the contaminated load plus any costs associated with the disposition of the contaminated
7.28 load. Future pickups are prohibited until subsequent testing reveals the milk is free of
7.29 drug residue. A farm inspection must be completed by a qualified dairy sanitarian and
7.30 the producer to determine the cause of the residue and actions required to prevent future
7.31 violations.

7.32 (2) For the second violation in a 12-month period, the penalty is the value of all
7.33 milk on the contaminated load plus any costs associated with the disposition of the
7.34 contaminated load. Future pickups are prohibited until subsequent testing reveals the milk
7.35 is free of drug residue. A farm inspection must be completed by a qualified dairy sanitarian
7.36 to determine the cause of the residue and actions required to prevent future violations.

8.1 (3) For the third or subsequent violation in a 12-month period, the penalty is the value
 8.2 of all milk on the contaminated load plus any costs associated with the disposition of the
 8.3 contaminated load. Future pickups are prohibited until subsequent testing reveals the milk
 8.4 is free of drug residue. The commissioner or the commissioner's agent shall also notify the
 8.5 producer by certified mail that the commissioner is initiating administrative procedures to
 8.6 revoke the producer's permit or certification to sell milk for a minimum of 30 days.

8.7 (4) If a bulk load of milk tests negative for residues and there is a positive producer
 8.8 sample on the load, no civil penalties may be assessed to the producer. The plant must
 8.9 report the positive result within 24 hours and reject further milk shipments from that
 8.10 producer until the producer's milk tests negative. A farm inspection must be completed
 8.11 by a qualified dairy sanitarian to determine the cause of the residue and actions required
 8.12 to prevent future violations. The department shall suspend the producer's permit and
 8.13 count the violation on the producer's record. The Grade A or manufacturing grade permit
 8.14 must be converted to temporary status for not more than 30 days during which time the
 8.15 producer must review the "Milk and Dairy Beef Residue Prevention Protocol" with a
 8.16 licensed veterinarian, display the signed certificate in the milkhouse, and send verification
 8.17 to the commissioner. If these conditions are met, the Grade A or manufacturing grade
 8.18 permit must be reinstated. If the producer does not comply within the temporary permit
 8.19 status period, the Grade A or manufacturing grade permit must be suspended.

8.20 (e) A milk producer that has been certified as completing the "Milk and Dairy Beef
 8.21 Residue Prevention Protocol" within 12 months of the first violation of subdivision 3,
 8.22 clause (7), need only review the cause of the violation with a field service representative
 8.23 within three days to maintain Grade A or manufacturing grade permit and shipping status
 8.24 if all other requirements of this section are met.

8.25 (f) Civil penalties collected under this section must be deposited in the ~~milk~~
 8.26 ~~inspection services account established in this chapter~~ compliance assistance account in
 8.27 the special revenue fund.

8.28 Sec. 15. Minnesota Statutes 2014, section 34.07, is amended to read:

8.29 **34.07 BEVERAGE INSPECTION ACCOUNT; APPROPRIATION.**

8.30 A beverage inspection account is created in the agricultural fund. All fees ~~and~~
 8.31 ~~fees~~ collected under this chapter shall be credited to the beverage inspection account.
 8.32 Money in the account is appropriated to the commissioner for inspection and supervision
 8.33 under this chapter. Penalties must be deposited in the compliance assistance account in
 8.34 the special revenue fund.

9.1 Sec. 16. Minnesota Statutes 2014, section 62J.536, subdivision 2b, is amended to read:

9.2 Subd. 2b. **Compliance and investigations.** (a) The commissioner of health shall,
9.3 to the extent practicable, seek the cooperation of health care providers, health care
9.4 clearinghouses, and group purchasers in obtaining compliance with this section and may
9.5 provide technical assistance to health care providers, health care clearinghouses, and
9.6 group purchasers.

9.7 (b) A person who believes a health care provider, health care clearinghouse, or group
9.8 purchaser is not complying with the requirements of this section may file a complaint with
9.9 the commissioner of health. Complaints filed under this section must meet the following
9.10 requirements:

9.11 (1) A complaint must be filed in writing, either on paper or electronically.

9.12 (2) A complaint must name the person that is the subject of the complaint and
9.13 describe the acts or omissions believed to be in violation of this section.

9.14 (3) A complaint must be filed within 180 days of when the complainant knew or
9.15 should have known that the act or omission complained of occurred.

9.16 (4) The commissioner may prescribe additional procedures for the filing of
9.17 complaints as required to satisfy the requirements of this section.

9.18 (c) The commissioner of health may investigate complaints filed under this
9.19 section. The investigation may include a review of the pertinent policies, procedures,
9.20 or practices of the health care provider, health care clearinghouse, or group purchaser
9.21 and of the circumstances regarding any alleged violation. At the time of initial written
9.22 communication with the health care provider, health care clearinghouse, or group
9.23 purchaser about the complaint, the commissioner of health shall describe the acts or
9.24 omissions that are the basis of the complaint. The commissioner may conduct compliance
9.25 reviews to determine whether health care providers, health care clearinghouses, and group
9.26 purchasers are complying with this section.

9.27 (d) Health care providers, health care clearinghouses, and group purchasers must
9.28 cooperate with the commissioner of health if the commissioner undertakes an investigation
9.29 or compliance review of the policies, procedures, or practices of the health care provider,
9.30 health care clearinghouse, or group purchaser to determine compliance with this section.
9.31 This cooperation includes, but is not limited to:

9.32 (1) A health care provider, health care clearinghouse, or group purchaser must permit
9.33 access by the commissioner of health during normal business hours to its facilities, books,
9.34 records, accounts, and other sources of information that are pertinent to ascertaining
9.35 compliance with this section.

10.1 (2) If any information required of a health care provider, health care clearinghouse,
10.2 or group purchaser under this section is in the exclusive possession of any other agency,
10.3 institution, or person and the other agency, institution, or person fails or refuses to furnish
10.4 the information, the health care provider, health care clearinghouse, or group purchaser
10.5 must so certify and set forth what efforts it has made to obtain the information.

10.6 (3) Any individually identifiable health information obtained by the commissioner
10.7 of health in connection with an investigation or compliance review under this section
10.8 may not be used or disclosed by the commissioner of health, except as necessary for
10.9 ascertaining or enforcing compliance with this section.

10.10 (e) If an investigation of a complaint indicates noncompliance, the commissioner
10.11 of health shall attempt to reach a resolution of the matter by informal means. Informal
10.12 means may include demonstrated compliance or a completed corrective action plan or
10.13 other agreement. If the matter is resolved by informal means, the commissioner of health
10.14 shall so inform the health care provider, health care clearinghouse, or group purchaser
10.15 and, if the matter arose from a complaint, the complainant, in writing. If the matter is not
10.16 resolved by informal means, the commissioner of health shall:

10.17 (1) inform the health care provider, health care clearinghouse, or group purchaser
10.18 and provide an opportunity for the health care provider, health care clearinghouse, or group
10.19 purchaser to submit written evidence of any mitigating factors or other considerations.
10.20 The health care provider, health care clearinghouse, or group purchaser must submit
10.21 any such evidence to the commissioner of health within 30 calendar days of receipt of
10.22 the notification; and

10.23 (2) inform the health care provider, health care clearinghouse, or group purchaser,
10.24 through a notice of proposed determination according to paragraph (i), that the
10.25 commissioner of health finds that a civil money penalty should be imposed.

10.26 (f) If, after an investigation or a compliance review, the commissioner of health
10.27 determines that further action is not warranted, the commissioner of health shall so inform
10.28 the health care provider, health care clearinghouse, or group purchaser and, if the matter
10.29 arose from a complaint, the complainant, in writing.

10.30 (g) A health care provider, health care clearinghouse, or group purchaser may not
10.31 threaten, intimidate, coerce, harass, discriminate against, or take any other retaliatory
10.32 action against any individual or other person for:

10.33 (1) filing of a complaint under this section;

10.34 (2) testifying, assisting, or participating in an investigation, compliance review,
10.35 proceeding, or contested case proceeding under this section; or

11.1 (3) opposing any act or practice made unlawful by this section, provided the
11.2 individual or person has a good faith belief that the practice opposed is unlawful, and
11.3 the manner of opposition is reasonable and does not involve an unauthorized disclosure
11.4 of a patient's health information.

11.5 (h) The commissioner of health may impose a civil money penalty on a health care
11.6 provider, health care clearinghouse, or group purchaser if the commissioner of health
11.7 determines that the health care provider, health care clearinghouse, or group purchaser
11.8 has violated this section. If the commissioner of health determines that more than one
11.9 health care provider, health care clearinghouse, or group purchaser was responsible for
11.10 a violation, the commissioner of health may impose a civil money penalty against each
11.11 health care provider, health care clearinghouse, or group purchaser. The amount of a civil
11.12 money penalty shall be determined as follows:

11.13 (1) The amount of a civil money penalty shall be up to \$100 for each violation, but
11.14 not exceed \$25,000 for identical violations during a calendar year.

11.15 (2) In the case of continuing violation of this section, a separate violation occurs
11.16 each business day that the health care provider, health care clearinghouse, or group
11.17 purchaser is in violation of this section.

11.18 (3) In determining the amount of any civil money penalty, the commissioner of health
11.19 may consider as aggravating or mitigating factors, as appropriate, any of the following:

11.20 (i) the nature of the violation, in light of the purpose of the goals of this section;

11.21 (ii) the time period during which the violation occurred;

11.22 (iii) whether the violation hindered or facilitated an individual's ability to obtain
11.23 health care;

11.24 (iv) whether the violation resulted in financial harm;

11.25 (v) whether the violation was intentional;

11.26 (vi) whether the violation was beyond the direct control of the health care provider,
11.27 health care clearinghouse, or group purchaser;

11.28 (vii) any history of prior compliance with the provisions of this section, including
11.29 violations;

11.30 (viii) whether and to what extent the provider, health care clearinghouse, or group
11.31 purchaser has attempted to correct previous violations;

11.32 (ix) how the health care provider, health care clearinghouse, or group purchaser
11.33 has responded to technical assistance from the commissioner of health provided in the
11.34 context of a compliance effort; or

11.35 (x) the financial condition of the health care provider, health care clearinghouse,
11.36 or group purchaser including, but not limited to, whether the health care provider, health

12.1 care clearinghouse, or group purchaser had financial difficulties that affected its ability to
 12.2 comply or whether the imposition of a civil money penalty would jeopardize the ability
 12.3 of the health care provider, health care clearinghouse, or group purchaser to continue to
 12.4 provide, or to pay for, health care.

12.5 (i) If a penalty is proposed according to this section, the commissioner of health
 12.6 must deliver, or send by certified mail with return receipt requested, to the respondent
 12.7 written notice of the commissioner of health's intent to impose a penalty. This notice
 12.8 of proposed determination must include:

12.9 (1) a reference to the statutory basis for the penalty;

12.10 (2) a description of the findings of fact regarding the violations with respect to
 12.11 which the penalty is proposed;

12.12 (3) the amount of the proposed penalty;

12.13 (4) any circumstances described in paragraph (i) that were considered in determining
 12.14 the amount of the proposed penalty;

12.15 (5) instructions for responding to the notice, including a statement of the respondent's
 12.16 right to a contested case proceeding and a statement that failure to request a contested case
 12.17 proceeding within 30 calendar days permits the imposition of the proposed penalty; and

12.18 (6) the address to which the contested case proceeding request must be sent.

12.19 (j) A health care provider, health care clearinghouse, or group purchaser may contest
 12.20 whether the finding of facts constitute a violation of this section, according to a contested
 12.21 case proceeding as set forth in sections 14.57 to 14.62, subject to appeal according to
 12.22 sections 14.63 to 14.68.

12.23 (k) Any data collected by the commissioner of health as part of an active
 12.24 investigation or active compliance review under this section are classified as protected
 12.25 nonpublic data pursuant to section 13.02, subdivision 13, in the case of data not on
 12.26 individuals and confidential pursuant to section 13.02, subdivision 3, in the case of data
 12.27 on individuals. Data describing the final disposition of an investigation or compliance
 12.28 review are classified as public.

12.29 (l) Civil money penalties imposed and collected under this subdivision shall be
 12.30 deposited ~~into a revolving fund and are appropriated to the commissioner of health for~~
 12.31 ~~the purposes of this subdivision, including the provision of technical assistance in the~~
 12.32 compliance assistance account in the special revenue fund.

12.33 Sec. 17. Minnesota Statutes 2014, section 79A.06, subdivision 4, is amended to read:

12.34 Subd. 4. **Failure to submit reports or information; penalty.** Failure to submit
 12.35 reports to the commissioner as required by this chapter may result in the assessment of a

13.1 penalty which shall not exceed \$3,000 for each month or fraction thereof the report is past
13.2 due. Failure to submit reports required by statute within 60 days from the due date without
13.3 written consent of the commissioner shall result in the revocation of the certificate to
13.4 self-insure. Penalties shall be deposited in the self-insurers' security compliance assistance
13.5 account in the special revenue fund.

13.6 Sec. 18. Minnesota Statutes 2014, section 84.7741, subdivision 10, is amended to read:

13.7 Subd. 10. **Disposition of forfeited vehicle.** (a) If the vehicle is administratively
13.8 forfeited under subdivision 8, or if the court finds under subdivision 9 that the vehicle is
13.9 subject to forfeiture under subdivisions 6 and 7, the appropriate agency shall:

13.10 (1) sell the vehicle and distribute the proceeds under paragraph (b); or

13.11 (2) keep the vehicle for official use. If the agency keeps a forfeited off-highway
13.12 vehicle for official use, the agency shall make reasonable efforts to ensure that the
13.13 off-highway vehicle is available for use by the agency's officers who participate in
13.14 off-highway vehicle enforcement or education programs.

13.15 (b) The proceeds from the sale of forfeited vehicles, after payment of seizure,
13.16 towing, storage, forfeiture, and sale expenses and satisfaction of valid liens against the
13.17 property, must be distributed as follows:

13.18 (1) 70 percent of the proceeds must be forwarded to the appropriate agency. If the
13.19 agency is local, this amount is for deposit as a supplement to the state or local agency's
13.20 operating fund or similar fund for use in purchasing equipment for off-highway vehicle
13.21 enforcement, training, and education. If the agency is a state agency, this amount must be
13.22 deposited in the compliance assistance account in the special revenue fund; and

13.23 (2) 30 percent of the money or proceeds must be forwarded to the prosecuting
13.24 authority that handled the forfeiture for deposit as a supplement to its operating fund or
13.25 similar fund for prosecutorial purposes.

13.26 (c) If a vehicle is sold under paragraph (a), the appropriate agency shall not sell
13.27 the vehicle to: (1) an officer or employee of the agency that seized the property or to a
13.28 person related to the officer or employee by blood or marriage; or (2) the prosecuting
13.29 authority or any individual working in the same office or a person related to the authority
13.30 or individual by blood or marriage.

13.31 (d) Sales of forfeited vehicles under this section must be conducted in a
13.32 commercially reasonable manner.

13.33 (e) If a vehicle is forfeited administratively under this section and no demand for
13.34 judicial determination is made, the appropriate agency shall provide the prosecuting
13.35 authority with a copy of the forfeiture or evidence receipt, the notice of seizure and intent

14.1 to forfeit, a statement of probable cause for forfeiture of the property, and a description of
14.2 the property and its estimated value. Upon review and certification by the prosecuting
14.3 authority that (1) the appropriate agency provided a receipt in accordance with subdivision
14.4 2, paragraph (c), (2) the appropriate agency served notice in accordance with subdivision 8,
14.5 and (3) probable cause for forfeiture exists based on the officer's statement, the appropriate
14.6 agency may dispose of the property in any of the ways listed in this subdivision.

14.7 Sec. 19. Minnesota Statutes 2014, section 84D.15, subdivision 2, is amended to read:

14.8 Subd. 2. **Receipts.** Money received from surcharges on watercraft licenses under
14.9 section 86B.415, subdivision 7, ~~civil penalties under section 84D.13~~, and service provider
14.10 permits under section 84D.108, shall be deposited in the invasive species account. Each
14.11 year, the commissioner of management and budget shall transfer from the game and
14.12 fish fund to the invasive species account, the annual surcharge collected on nonresident
14.13 fishing licenses under section 97A.475, subdivision 7, paragraph (b). Each fiscal year,
14.14 the commissioner of management and budget shall transfer \$750,000 from the water
14.15 recreation account under section 86B.706 to the invasive species account. Civil penalties
14.16 collected under section 84D.13 shall be deposited in the compliance assistance account in
14.17 the special revenue fund.

14.18 Sec. 20. Minnesota Statutes 2014, section 103B.101, subdivision 12, is amended to read:

14.19 Subd. 12. **Authority to issue penalty orders.** (a) The board may issue an order
14.20 requiring violations to be corrected and administratively assessing monetary penalties of
14.21 up to \$10,000 per violation for violations of this chapter and chapters 103C, 103D, 103E,
14.22 103F, and 103G, any rules adopted under those chapters, and any standards, limitations, or
14.23 conditions established by the board.

14.24 (b) Administrative penalties issued under paragraph (a) may be appealed according
14.25 to section 116.072, if the recipient of the penalty requests a hearing by notifying the
14.26 commissioner in writing within 30 days after receipt of the order. For the purposes of this
14.27 section, the terms "commissioner" and "agency" as used in section 116.072 mean the
14.28 board. If a hearing is not requested within the 30-day period, the order becomes a final
14.29 order not subject to further review.

14.30 (c) Administrative penalty orders issued under paragraph (a) may be enforced
14.31 under section 116.072, subdivision 9. Penalty amounts must be remitted within 30 days
14.32 of issuance of the order and must be deposited in the compliance assistance account in
14.33 the special revenue fund.

15.1 Sec. 21. Minnesota Statutes 2014, section 103G.27, subdivision 1, is amended to read:

15.2 Subdivision 1. **Account established; sources.** The water management account
15.3 is created in the natural resources fund in the state treasury. Revenues collected from
15.4 permit application fees, water use fees, field inspection fees, ~~penalties~~, and other receipts
15.5 according to sections 103G.271 and 103G.301 shall be deposited in the account. Interest
15.6 earned on money in the account accrues to the account. Penalties must be deposited in the
15.7 compliance assistance account in the special revenue fund.

15.8 Sec. 22. Minnesota Statutes 2014, section 115E.11, is amended to read:

15.9 **115E.11 DISPOSITION OF PENALTIES.**

15.10 Penalties collected for violations of this chapter or section 115.061 that are related to
15.11 discharges or threatened discharges of petroleum must be deposited in the state treasury
15.12 and credited to the ~~petroleum tank release cleanup~~ compliance assistance account in
15.13 the special revenue fund.

15.14 Sec. 23. Minnesota Statutes 2014, section 144.386, subdivision 1, is amended to read:

15.15 Subdivision 1. **Basic fine.** A person who violates a rule of the commissioner, fails
15.16 to comply with the terms of a variance or exemption, or fails to request a variance or
15.17 exemption by the date specified in the notice from the commissioner, may be fined up to
15.18 \$1,000 for each day the offense continues, in a civil action brought by the commissioner in
15.19 district court. All fines shall be deposited in the ~~general~~ compliance assistance account in
15.20 the special revenue fund of the state treasury.

15.21 Sec. 24. Minnesota Statutes 2014, section 144.7022, subdivision 4, is amended to read:

15.22 Subd. 4. **Penalty.** If the commissioner determines that the violation has been
15.23 corrected or an acceptable corrective plan has been developed, the penalty may be
15.24 forgiven, except where there are repeated or serious violations. The commissioner may
15.25 issue an order with a penalty that will not be forgiven after corrective action is taken.
15.26 Unless there is a request for review of the order under subdivision 6 before the penalty is
15.27 due, the penalty is due and payable:

15.28 (1) on the 31st calendar day after the order was received, if the voluntary, nonprofit
15.29 reporting organization fails to provide information to the commissioner showing that the
15.30 violation has been corrected or that appropriate steps have been taken toward correcting
15.31 the violation;

15.32 (2) on the 20th day after the voluntary, nonprofit reporting organization receives the
15.33 commissioner's determination that the information provided is not sufficient to show that

16.1 either the violation has been corrected or that appropriate steps have been taken toward
16.2 correcting the violation; or

16.3 (3) on the 31st day after the order was received where the penalty is for repeated
16.4 or serious violations and according to the order issued, the penalty will not be forgiven
16.5 after corrective action is taken.

16.6 All penalties due under this section are payable to the commissioner of management
16.7 and budget, state of Minnesota, and shall be deposited in the general compliance assistance
16.8 account in the special revenue fund.

16.9 Sec. 25. Minnesota Statutes 2014, section 144.99, subdivision 4, is amended to read:

16.10 Subd. 4. **Administrative penalty orders.** (a) The commissioner may issue an
16.11 order requiring violations to be corrected and administratively assessing monetary
16.12 penalties for violations of the statutes, rules, and other actions listed in subdivision 1. The
16.13 procedures in section 144.991 must be followed when issuing administrative penalty
16.14 orders. Except in the case of repeated or serious violations, the penalty assessed in the
16.15 order must be forgiven if the person who is subject to the order demonstrates in writing
16.16 to the commissioner before the 31st day after receiving the order that the person has
16.17 corrected the violation or has developed a corrective plan acceptable to the commissioner.
16.18 The maximum amount of an administrative penalty order is \$10,000 for each violator for
16.19 all violations by that violator identified in an inspection or review of compliance.

16.20 (b) Notwithstanding paragraph (a), the commissioner may issue to a large public
16.21 water supply, serving a population of more than 10,000 persons, an administrative penalty
16.22 order imposing a penalty of at least \$1,000 per day per violation, not to exceed \$10,000
16.23 for each violation of sections 144.381 to 144.385 and rules adopted thereunder.

16.24 (c) Notwithstanding paragraph (a), the commissioner may issue to a certified lead
16.25 firm or person performing regulated lead work, an administrative penalty order imposing a
16.26 penalty of at least \$5,000 per violation per day, not to exceed \$10,000 for each violation of
16.27 sections 144.9501 to 144.9512 and rules adopted thereunder. All revenue collected from
16.28 monetary penalties in this section shall be deposited in the state treasury and credited
16.29 to the state government special revenue compliance assistance account in the special
16.30 revenue fund.

16.31 Sec. 26. Minnesota Statutes 2014, section 144A.472, subdivision 7, is amended to read:

16.32 Subd. 7. **Fees; application, change of ownership, and renewal.** (a) An initial
16.33 applicant seeking temporary home care licensure must submit the following application
16.34 fee to the commissioner along with a completed application:

17.1 (1) for a basic home care provider, \$2,100; or

17.2 (2) for a comprehensive home care provider, \$4,200.

17.3 (b) A home care provider who is filing a change of ownership as required under
17.4 subdivision 5 must submit the following application fee to the commissioner, along with
17.5 the documentation required for the change of ownership:

17.6 (1) for a basic home care provider, \$2,100; or

17.7 (2) for a comprehensive home care provider, \$4,200.

17.8 (c) A home care provider who is seeking to renew the provider's license shall pay a
17.9 fee to the commissioner based on revenues derived from the provision of home care
17.10 services during the calendar year prior to the year in which the application is submitted,
17.11 according to the following schedule:

17.12 License Renewal Fee

17.13	Provider Annual Revenue	Fee
17.14	greater than \$1,500,000	\$6,625
17.15	greater than \$1,275,000 and no more than	
17.16	\$1,500,000	\$5,797
17.17	greater than \$1,100,000 and no more than	
17.18	\$1,275,000	\$4,969
17.19	greater than \$950,000 and no more than	
17.20	\$1,100,000	\$4,141
17.21	greater than \$850,000 and no more than	
17.22	\$950,000	\$3,727
17.23	greater than \$750,000 and no more than	
17.24	\$850,000	\$3,313
17.25	greater than \$650,000 and no more than	
17.26	\$750,000	\$2,898
17.27	greater than \$550,000 and no more than	
17.28	\$650,000	\$2,485
17.29	greater than \$450,000 and no more than	
17.30	\$550,000	\$2,070
17.31	greater than \$350,000 and no more than	
17.32	\$450,000	\$1,656
17.33	greater than \$250,000 and no more than	
17.34	\$350,000	\$1,242
17.35	greater than \$100,000 and no more than	
17.36	\$250,000	\$828
17.37	greater than \$50,000 and no more than \$100,000	\$500
17.38	greater than \$25,000 and no more than \$50,000	\$400
17.39	no more than \$25,000	\$200

17.40 (d) If requested, the home care provider shall provide the commissioner information
17.41 to verify the provider's annual revenues or other information as needed, including copies
17.42 of documents submitted to the Department of Revenue.

18.1 (e) At each annual renewal, a home care provider may elect to pay the highest
 18.2 renewal fee for its license category, and not provide annual revenue information to the
 18.3 commissioner.

18.4 (f) A temporary license or license applicant, or temporary licensee or licensee that
 18.5 knowingly provides the commissioner incorrect revenue amounts for the purpose of
 18.6 paying a lower license fee, shall be subject to a civil penalty in the amount of double the
 18.7 fee the provider should have paid.

18.8 (g) Fees ~~and penalties~~ collected under this section shall be deposited in the state
 18.9 treasury and credited to the state government special revenue fund. Penalties shall be
 18.10 deposited in the compliance assistance account in the special revenue fund.

18.11 (h) The license renewal fee schedule in this subdivision is effective July 1, 2016.

18.12 Sec. 27. Minnesota Statutes 2014, section 144A.484, subdivision 8, is amended to read:

18.13 **Subd. 8. Fees; home and community-based services designation.** (a) The
 18.14 initial fee for a home and community-based services designation is \$155. A home care
 18.15 provider renewing the home and community-based services designation must pay an
 18.16 annual nonrefundable fee, in addition to the annual home care license fee, according to the
 18.17 following schedule and based on revenues from the home and community-based services
 18.18 that require licensure under chapter 245D during the calendar year immediately preceding
 18.19 the year in which the license fee is paid:

18.20	HCBS
18.21	Designation
18.22 greater than \$1,500,000	\$320
18.23 greater than \$1,275,000 and no more than \$1,500,000	\$300
18.24 greater than \$1,100,000 and no more than \$1,275,000	\$280
18.25 greater than \$950,000 and no more than \$1,100,000	\$260
18.26 greater than \$850,000 and no more than \$950,000	\$240
18.27 greater than \$750,000 and no more than \$850,000	\$220
18.28 greater than \$650,000 and no more than \$750,000	\$200
18.29 greater than \$550,000 and no more than \$650,000	\$180
18.30 greater than \$450,000 and no more than \$550,000	\$160
18.31 greater than \$350,000 and no more than \$450,000	\$140
18.32 greater than \$250,000 and no more than \$350,000	\$120
18.33 greater than \$100,000 and no more than \$250,000	\$100
18.34 greater than \$50,000 and no more than \$100,000	\$80
18.35 greater than \$25,000 and no more than \$50,000	\$60
18.36 no more than \$25,000	\$40

19.1 (b) Fees ~~and penalties~~ collected under this section shall be deposited in the state
 19.2 treasury and credited to the state government special revenue fund. Penalties shall be
 19.3 deposited in the compliance assistance account in the special revenue fund.

19.4 Sec. 28. Minnesota Statutes 2014, section 144E.31, subdivision 3, is amended to read:

19.5 Subd. 3. **Fine.** (a) The board may order a fine concurrently with the issuance of a
 19.6 correction order, or after the licensee or education program has not corrected the violation
 19.7 within the time specified in the correction order.

19.8 (b) A licensee or education program that is ordered to pay a fine shall be notified
 19.9 of the order by certified mail. The notice shall be mailed to the address shown on the
 19.10 application or the last known address of the licensee or education program. The notice
 19.11 shall state the reasons the fine was ordered and shall inform the licensee or training
 19.12 program of the right to a contested case hearing under chapter 14.

19.13 (c) A licensee or education program may appeal the order to pay a fine by notifying
 19.14 the board by certified mail within 15 calendar days after receiving the order. A timely
 19.15 appeal shall stay payment of the fine until the board issues a final order.

19.16 (d) A licensee or education program shall pay the fine assessed on or before the
 19.17 payment date specified in the board's order. If a licensee or education program fails to
 19.18 fully comply with the order, the board shall suspend the license or cancel approval until
 19.19 there is full compliance with the order.

19.20 (e) Fines shall be assessed as follows:

19.21 (1) \$150 for violation of section 144E.123;

19.22 (2) \$400 for violation of sections 144E.06, 144E.07, 144E.101, 144E.103, 144E.121,
 19.23 144E.125, 144E.265, 144E.285, and 144E.305;

19.24 (3) \$750 for violation of rules adopted under section 144E.16, subdivision 4, clause
 19.25 (8); and

19.26 (4) \$50 for violation of all other sections under this chapter or rules adopted under
 19.27 this chapter that are not specifically enumerated in clauses (1) to (3).

19.28 (f) Fines collected by the board shall be deposited ~~as nondedicated receipts in the~~
 19.29 ~~general~~ in the compliance assistance account in the special revenue fund.

19.30 Sec. 29. Minnesota Statutes 2014, section 153A.17, is amended to read:

19.31 **153A.17 EXPENSES; FEES.**

19.32 (a) The expenses for administering the certification requirements, including
 19.33 the complaint handling system for hearing aid dispensers in sections 153A.14 and
 19.34 153A.15, and the Consumer Information Center under section 153A.18, must be paid

20.1 from initial application and examination fees, and renewal fees, ~~penalties, and fines~~.
 20.2 The commissioner shall only use fees collected under this section for the purposes of
 20.3 administering this chapter. The legislature must not transfer money generated by these fees
 20.4 from the state government special revenue fund to the general fund. Surcharges collected
 20.5 by the commissioner of health under section 16E.22 are not subject to this paragraph.

20.6 (b) The fees are as follows:

20.7 (1) the initial and annual renewal certification application fee is \$600;

20.8 (2) the initial examination fee for the written portion is \$500, and for each time it
 20.9 is taken, thereafter;

20.10 (3) the initial examination fee for the practical portion is \$1,200, and \$600 for each
 20.11 time it is taken, thereafter; for individuals meeting the requirements of section 148.515,
 20.12 subdivision 2, the fee for the practical portion of the hearing instrument dispensing
 20.13 examination is \$250 each time it is taken;

20.14 (4) the trainee application fee is \$200;

20.15 (5) the penalty fee for late submission of a renewal application is \$200; and

20.16 (6) the fee for verification of certification to other jurisdictions or entities is \$25.

20.17 (c) The commissioner may prorate the certification fee for new applicants based on
 20.18 the number of quarters remaining in the annual certification period.

20.19 (d) All fees are nonrefundable. All fees, ~~penalties, and fines~~ received must be
 20.20 deposited in the state government special revenue fund. All penalties and fines must be
 20.21 deposited in the compliance assistance account in the special revenue fund.

20.22 (e) Beginning July 1, 2009, until June 30, 2016, a surcharge of \$100 shall be paid
 20.23 at the time of initial certification application or renewal to recover the commissioner's
 20.24 accumulated direct expenditures for administering the requirements of this chapter.

20.25 Sec. 30. Minnesota Statutes 2014, section 168.27, subdivision 19a, is amended to read:

20.26 Subd. 19a. **Injunction.** (a) The commissioner in the name of the state or a county
 20.27 attorney in the name of a county may institute a civil action in district court for an
 20.28 injunction prohibiting a violation of, and for civil penalties not to exceed \$1,000 for each
 20.29 violation of, subdivision 2, 3, 3a, 4, 5a, 6, 7, or 7a, or section 168A.1501, 168A.153, or
 20.30 325E.21. Filing fees for bringing an action under this section are waived.

20.31 (b) Upon a finding that a preponderance of evidence demonstrates that the defendant
 20.32 has violated subdivision 2, 3, 3a, 4, 5a, 6, 7, or 7a, or section 168A.1501, 168A.153, or
 20.33 325E.21, the court may enjoin future violations and may award civil penalties as authorized
 20.34 by this subdivision. It is not a defense to an action that the plaintiff may have adequate
 20.35 remedies at law or that the plaintiff has not shown irreparable harm. Service of process

21.1 must be as in any other civil suit, except that where a defendant in the action is a natural
 21.2 person or firm residing outside the state, or is a foreign corporation, service of process may
 21.3 also be made by personal service outside the state; in the manner provided by section 5.25;
 21.4 or as the court may direct. Process is valid if it satisfies the requirements of due process of
 21.5 law, whether or not the defendant is doing business in Minnesota regularly or habitually.

21.6 (c) In determining the civil penalty amount and whether to order injunctive relief
 21.7 under paragraph (b), the court shall consider:

21.8 (1) the number of current violations;

21.9 (2) the gravity of the current violations, including but not limited to the harm
 21.10 caused by the violations;

21.11 (3) the culpability of the defendant as established by evidence of intent, willfulness,
 21.12 or negligence;

21.13 (4) the economic benefit, if any, gained by the person allowing or committing the
 21.14 current violations;

21.15 (5) the history of past violations, including the similarity of previous violations and
 21.16 the current violation, the time elapsed since previous violations, the number of previous
 21.17 violations, and the response of the person to previous violations; and

21.18 (6) any other factors as justice may require.

21.19 (d) If a court grants injunctive relief under paragraph (b), the court shall consider
 21.20 the factors in paragraph (c) in determining the requirements to include in an injunction.

21.21 A court issuing an injunction under this section shall have the discretion to fashion
 21.22 an injunction that is reasonably intended to prevent a violator from committing future
 21.23 violations. Such authority shall include, but is not limited to, issuing an order for a period
 21.24 of 12 months which:

21.25 (1) requires a defendant to wait up to 15 days before scrapping, dismantling, selling,
 21.26 or otherwise disposing of any vehicle that the defendant has acquired without first having
 21.27 received proof of ownership in compliance with section 168A.1501, subdivision 7, 8, or
 21.28 9; or

21.29 (2) prohibits a defendant from acquiring, scrapping, dismantling, selling, or
 21.30 otherwise disposing of any vehicle without first having received proof of ownership in
 21.31 compliance with section 168A.1501, subdivision 7, 8, or 9.

21.32 (e) A court issuing an injunction under this section shall not require the posting of
 21.33 any bond or other security.

21.34 (f) In an action brought under this section by a county attorney, all civil penalties
 21.35 collected under this section shall be deposited into the general fund of the county. In an
 21.36 action brought under this section by the attorney general or the commissioner, all civil

22.1 penalties collected shall be deposited into the ~~general~~ compliance assistance account
 22.2 in the special revenue fund of the state.

22.3 (g) Nothing in this subdivision limits the rights or remedies which are otherwise
 22.4 available to a person under common law or other statutes of this state.

22.5 Sec. 31. Minnesota Statutes 2014, section 169.999, subdivision 5, is amended to read:

22.6 Subd. 5. **Fines; disbursement.** (a) A person who commits an administrative
 22.7 violation under subdivision 1 must pay a fine of \$60.

22.8 (b) Except as provided in paragraph (c), two-thirds of a fine collected under this
 22.9 section must be credited to the general revenue fund of the local unit of government that
 22.10 employs the peace officer who issued the citation and one-third must be transferred to the
 22.11 commissioner of management and budget to be deposited in the state ~~general~~ compliance
 22.12 assistance account in the special revenue fund. A local unit of government receiving fine
 22.13 proceeds under this section must use at least one-half of the funds for law enforcement
 22.14 purposes. The funds must be used to supplement but not supplant any existing law
 22.15 enforcement funding.

22.16 (c) For fines collected under this section from administrative citations issued by
 22.17 state patrol troopers, one-third must be credited to the general fund of the local unit of
 22.18 government or entity that collects the fine and provides a hearing officer and two-thirds
 22.19 must be transferred to the commissioner of management and budget to be deposited in the
 22.20 state ~~general~~ compliance assistance account in the special revenue fund.

22.21 Sec. 32. Minnesota Statutes 2014, section 176.102, subdivision 3a, is amended to read:

22.22 Subd. 3a. **Disciplinary actions.** The panel has authority to discipline qualified
 22.23 rehabilitation consultants and vendors and may impose a penalty of up to \$3,000 per
 22.24 violation, payable to the commissioner for deposit in the ~~assigned risk safety account~~
 22.25 compliance assistance account in the special revenue fund, and may suspend or revoke
 22.26 certification. Complaints against registered qualified rehabilitation consultants and
 22.27 vendors shall be made to the commissioner who may investigate complaints. If the
 22.28 investigation indicates a violation of this chapter or rules adopted under this chapter, the
 22.29 commissioner may initiate a contested case proceeding under the provisions of chapter
 22.30 14. In these cases, the rehabilitation review panel shall make the final decision following
 22.31 receipt of the report of an administrative law judge. The decision of the panel is appealable
 22.32 to the Workers' Compensation Court of Appeals in the manner provided by section
 22.33 176.421. The panel shall continuously study rehabilitation services and delivery, develop

23.1 and recommend rehabilitation rules to the commissioner, and assist the commissioner in
23.2 accomplishing public education.

23.3 The commissioner may appoint alternates for one-year terms to serve as a member
23.4 when a member is unavailable. The number of alternates shall not exceed one labor
23.5 member, one employer or insurer member, and one member representing a licensed or
23.6 registered health care provider, chiropractic, or rehabilitation.

23.7 Sec. 33. Minnesota Statutes 2014, section 176.103, subdivision 3, is amended to read:

23.8 Subd. 3. **Medical Services Review Board; selection; powers.** (a) There is created
23.9 a Medical Services Review Board composed of the commissioner or the commissioner's
23.10 designee as an ex officio member, two persons representing chiropractic, one person
23.11 representing hospitals, one physical therapist, one registered nurse, one occupational
23.12 therapist, and six physicians representing different specialties which the commissioner
23.13 determines are the most frequently utilized by injured employees. The board shall also
23.14 have one person representing employees, and one person representing employers or
23.15 insurers. The members shall be appointed by the commissioner and shall be governed by
23.16 section 15.0575. Terms of the board's members may be renewed. The board may appoint
23.17 from its members whatever subcommittees it deems appropriate. Notwithstanding section
23.18 15.059, this board does not expire unless the board no longer fulfills the purpose for which
23.19 the board was established, the board has not met in the last 18 months, or the board does
23.20 not comply with the registration requirements of section 15.0599, subdivision 3.

23.21 The commissioner may appoint alternates for one-year terms to serve as a member when a
23.22 member is unavailable. The number of alternates shall not exceed one chiropractor, one
23.23 physical therapist, one registered nurse, one hospital representative, three physicians, one
23.24 employee representative, one employer or insurer representative, and one occupational
23.25 therapist.

23.26 (b) The board shall review clinical results for adequacy and recommend to the
23.27 commissioner scales for disabilities and apportionment.

23.28 (c) The board shall review and recommend to the commissioner rates for individual
23.29 clinical procedures and aggregate costs. The board shall assist the commissioner in
23.30 accomplishing public education.

23.31 (d) In evaluating the clinical consequences of the services provided to an employee
23.32 by a clinical health care provider, the board shall consider the following factors in the
23.33 priority listed:

23.34 (1) the clinical effectiveness of the treatment;

23.35 (2) the clinical cost of the treatment; and

24.1 (3) the length of time of treatment.

24.2 (e) The board shall advise the commissioner on the adoption of rules regarding all
24.3 aspects of medical care and services provided to injured employees.

24.4 (f) The Medical Services Review Board may upon petition from the commissioner
24.5 and after hearing, issue a warning, a penalty of \$200 per violation, a restriction on
24.6 providing treatment that requires preauthorization by the board, commissioner, or
24.7 compensation judge for a plan of treatment, disqualify, or suspend a provider from
24.8 receiving payment for services rendered under this chapter if a provider has violated any
24.9 part of this chapter or rule adopted under this chapter, or where there has been a pattern of,
24.10 or an egregious case of, inappropriate, unnecessary, or excessive treatment by a provider.
24.11 Any penalties collected under this subdivision shall be payable to the commissioner for
24.12 deposit in the ~~assigned risk safety account~~ compliance assistance account in the special
24.13 revenue fund. The hearings are initiated by the commissioner under the contested case
24.14 procedures of chapter 14. The board shall make the final decision following receipt of the
24.15 recommendation of the administrative law judge. The board's decision is appealable to the
24.16 Workers' Compensation Court of Appeals in the manner provided by section 176.421.

24.17 (g) The board may adopt rules of procedure. The rules may be joint rules with
24.18 the rehabilitation review panel.

24.19 (h) Except where the board is making a decision in a contested case matter under
24.20 paragraph (b), the board may conduct a meeting of its members by telephone or other
24.21 electronic means so long as the following conditions are met:

24.22 (1) all members of the board participating in the meeting, wherever their physical
24.23 location, can hear one another and can hear all discussion and testimony;

24.24 (2) members of the public present at the regular meeting location of the board can
24.25 hear clearly all discussion and testimony and all votes of members of the board and, if
24.26 needed, receive those services required by sections 15.44 and 15.441;

24.27 (3) at least one member of the board is physically present at the regular meeting
24.28 location; and

24.29 (4) all votes are conducted by roll call, so each member's vote on each issue can be
24.30 identified and recorded.

24.31 (i) Each member of the board participating in a meeting by telephone or other
24.32 electronic means is considered present at the meeting for purposes of determining a
24.33 quorum and participating in all proceedings.

24.34 (j) If telephone or other electronic means are used to conduct a regular, special, or
24.35 emergency meeting, the board, to the extent practical, shall allow a person to monitor the
24.36 meeting electronically from a remote location. The board or the Department of Labor

25.1 and Industry may require the person making such a connection to pay for documented
 25.2 costs that the board or the Department of Labor and Industry incurs as a result of the
 25.3 additional connection.

25.4 (k) If telephone or other electronic means are used to conduct a regular, special, or
 25.5 emergency meeting, the board shall provide notice of the regular meeting location, of the
 25.6 fact that some members may participate by telephone or other electronic means, and that a
 25.7 person may monitor the meeting electronically from a remote location. The timing and
 25.8 method of providing notice is governed by section 13D.04.

25.9 Sec. 34. Minnesota Statutes 2014, section 176.129, subdivision 10, is amended to read:

25.10 Subd. 10. **Penalty.** Sums paid to the commissioner pursuant to this section shall be
 25.11 in the manner prescribed by the commissioner. The commissioner may impose a penalty
 25.12 payable to the commissioner for deposit in the ~~assigned risk safety account~~ compliance
 25.13 assistance account in the special revenue fund of up to 15 percent of the amount due
 25.14 under this section but not less than \$1,000 in the event payment is not made or reports are
 25.15 not submitted in the manner prescribed.

25.16 Sec. 35. Minnesota Statutes 2014, section 176.130, subdivision 8, is amended to read:

25.17 Subd. 8. **Penalties; wood mills.** If the assessment provided for in this chapter is
 25.18 not paid on or before February 15 of the year when due and payable, the commissioner
 25.19 may impose penalties as provided in section 176.129, subdivision 10, payable to the
 25.20 commissioner for deposit in the ~~assigned risk safety account~~ compliance assistance
 25.21 account in the special revenue fund.

25.22 Sec. 36. Minnesota Statutes 2014, section 176.130, subdivision 9, is amended to read:

25.23 Subd. 9. **False reports.** Any person or entity that, for the purpose of evading
 25.24 payment of the assessment or avoiding the reimbursement, or any part of it, makes a false
 25.25 report under this section shall pay to the commissioner for deposit in the ~~assigned risk~~
 25.26 ~~safety account~~ compliance assistance account in the special revenue fund, in addition
 25.27 to the assessment, a penalty of 75 percent of the amount of the assessment. A person
 25.28 who knowingly makes or signs a false report, or who knowingly submits other false
 25.29 information, is guilty of a misdemeanor.

25.30 Sec. 37. Minnesota Statutes 2014, section 176.1351, subdivision 5, is amended to read:

25.31 Subd. 5. **Revocation, suspension, and refusal to certify; penalties and**
 25.32 **enforcement.** (a) The commissioner shall refuse to certify or shall revoke or suspend the

26.1 certification of a managed care plan if the commissioner finds that the plan for providing
26.2 medical or health care services fails to meet the requirements of this section, or service
26.3 under the plan is not being provided in accordance with the terms of a certified plan.

26.4 (b) In lieu of or in addition to suspension or revocation under paragraph (a), the
26.5 commissioner may, for any noncompliance with the managed care plan as certified or any
26.6 violation of a statute or rule applicable to a managed care plan, assess an administrative
26.7 penalty payable to the commissioner for deposit in the ~~assigned risk safety account~~
26.8 compliance assistance account in the special revenue fund in an amount up to \$25,000
26.9 for each violation or incidence of noncompliance. The commissioner may adopt rules
26.10 necessary to implement this subdivision. In determining the level of an administrative
26.11 penalty, the commissioner shall consider the following factors:

26.12 (1) the number of workers affected or potentially affected by the violation or
26.13 noncompliance;

26.14 (2) the effect or potential effect of the violation or noncompliance on workers' health,
26.15 access to health services, or workers' compensation benefits;

26.16 (3) the effect or potential effect of the violation or noncompliance on workers'
26.17 understanding of their rights and obligations under the workers' compensation law and
26.18 rules;

26.19 (4) whether the violation or noncompliance is an isolated incident or part of a
26.20 pattern of violations; and

26.21 (5) the potential or actual economic benefits derived by the managed care plan or a
26.22 participating provider by virtue of the violation or noncompliance.

26.23 The commissioner shall give written notice to the managed care plan of the penalty
26.24 assessment and the reasons for the penalty. The managed care plan has 30 days from the
26.25 date the penalty notice is issued within which to file a written request for an administrative
26.26 hearing and review of the commissioner's determination pursuant to section 176.85,
26.27 subdivision 1.

26.28 (c) If the commissioner, for any reason, has cause to believe that a managed care plan
26.29 has or may violate a statute or rule or a provision of the managed care plan as certified,
26.30 the commissioner may, before commencing action under paragraph (a) or (b), call a
26.31 conference with the managed care plan and other persons who may be involved in the
26.32 suspected violation or noncompliance for the purpose of ascertaining the facts relating to
26.33 the suspected violation or noncompliance and arriving at an adequate and effective means
26.34 of correcting or preventing the violation or noncompliance. The commissioner may enter
26.35 into stipulated consent agreements with the managed care plan for corrective or preventive
26.36 action or the amount of the penalty to be paid. Proceedings under this paragraph shall not

27.1 be governed by any formal procedural requirements, and may be conducted in a manner
 27.2 the commissioner deems appropriate under the circumstances.

27.3 (d) The commissioner may issue an order directing a managed care plan or a
 27.4 representative of a managed care plan to cease and desist from engaging in any act or
 27.5 practice that is not in compliance with the managed care plan as certified, or that it is in
 27.6 violation of an applicable statute or rule. Within 30 days of service of the order, the
 27.7 managed care plan may request review of the cease and desist order by an administrative
 27.8 law judge pursuant to chapter 14. The decision of the administrative law judge shall
 27.9 include findings of fact, conclusions of law and appropriate orders, which shall be the final
 27.10 decision of the commissioner. In the event of noncompliance with a cease and desist
 27.11 order, the commissioner may institute a proceeding in district court to obtain injunctive or
 27.12 other appropriate relief.

27.13 (e) A managed care plan, participating health care provider, or an employer or
 27.14 insurer that receives services from the managed care plan, shall cooperate fully with an
 27.15 investigation by the commissioner. For purposes of this section, cooperation includes, but
 27.16 is not limited to, attending a conference called by the commissioner under paragraph (c),
 27.17 responding fully and promptly to any questions relating to the subject of the investigation,
 27.18 and providing copies of records, reports, logs, data, and other information requested by the
 27.19 commissioner to assist in the investigation.

27.20 (f) Any person acting on behalf of a managed care plan who knowingly submits
 27.21 false information in any report required to be filed by a managed care plan is guilty of a
 27.22 misdemeanor.

27.23 Sec. 38. Minnesota Statutes 2014, section 176.138, is amended to read:

27.24 **176.138 MEDICAL DATA; ACCESS.**

27.25 (a) Notwithstanding any other state laws related to the privacy of medical data or
 27.26 any private agreements to the contrary, the release in writing, by telephone discussion, or
 27.27 otherwise of medical data related to a current claim for compensation under this chapter
 27.28 to the employee, employer, or insurer who are parties to the claim, or to the Department
 27.29 of Labor and Industry, shall not require prior approval of any party to the claim. This
 27.30 section does not preclude the release of medical data under section 175.10 or 176.231,
 27.31 subdivision 9. Requests for pertinent data shall be made, and the date of discussions
 27.32 with medical providers about medical data shall be confirmed, in writing to the person
 27.33 or organization that collected or currently possesses the data. Written medical data that
 27.34 exists at the time the request is made shall be provided by the collector or possessor within
 27.35 seven working days of receiving the request. Nonwritten medical data may be provided,

28.1 but is not required to be provided, by the collector or possessor. In all cases of a request
 28.2 for the data or discussion with a medical provider about the data, except when it is the
 28.3 employee who is making the request, the employee shall be sent written notification of the
 28.4 request by the party requesting the data at the same time the request is made or a written
 28.5 confirmation of the discussion. This data shall be treated as private data by the party who
 28.6 requests or receives the data and the party receiving the data shall provide the employee or
 28.7 the employee's attorney with a copy of all data requested by the requester.

28.8 (b) Medical data which is not directly related to a current injury or disability shall
 28.9 not be released without prior authorization of the employee.

28.10 (c) The commissioner may impose a penalty of up to \$600 payable to the
 28.11 commissioner for deposit in the ~~assigned risk safety account~~ compliance assistance
 28.12 account in the special revenue fund against a party who does not timely release data as
 28.13 required in this section. A party who does not treat this data as private pursuant to this
 28.14 section is guilty of a misdemeanor. This paragraph applies only to written medical data
 28.15 which exists at the time the request is made.

28.16 (d) Workers' compensation insurers and self-insured employers may, for the sole
 28.17 purpose of identifying duplicate billings submitted to more than one insurer, disclose to
 28.18 health insurers, including all insurers writing insurance described in section 60A.06,
 28.19 subdivision 1, clause (5)(a), nonprofit health service plan corporations subject to chapter
 28.20 62C, health maintenance organizations subject to chapter 62D, and joint self-insurance
 28.21 employee health plans subject to chapter 62H, computerized information about dates,
 28.22 coded items, and charges for medical treatment of employees and other medical billing
 28.23 information submitted to them by an employee, employer, health care provider, or other
 28.24 insurer in connection with a current claim for compensation under this chapter, without
 28.25 prior approval of any party to the claim. The data may not be used by the health insurer
 28.26 for any other purpose whatsoever and must be destroyed after verification that there has
 28.27 been no duplicative billing. Any person who is the subject of the data which is used in
 28.28 a manner not allowed by this paragraph has a cause of action for actual damages and
 28.29 punitive damages for a minimum of \$5,000.

28.30 (e) Medical data collected, stored, used, or disseminated by or filed with the
 28.31 commissioner in connection with a claim for workers' compensation benefits governed by
 28.32 this chapter does not constitute genetic information for the purposes of section 13.386.

28.33 Sec. 39. Minnesota Statutes 2014, section 176.139, subdivision 2, is amended to read:

28.34 Subd. 2. **Failure to post; penalty.** The commissioner may assess a penalty of \$500
 28.35 against the employer payable to the commissioner for deposit in the ~~assigned risk safety~~

29.1 ~~account~~ compliance assistance account in the special revenue fund if, after notice from the
 29.2 commissioner, the employer violates the posting requirement of this section.

29.3 Sec. 40. Minnesota Statutes 2014, section 176.181, subdivision 3, is amended to read:

29.4 Subd. 3. **Failure to insure, penalty.** (a) The commissioner, having reason to
 29.5 believe that an employer is in violation of subdivision 2, may issue an order directing the
 29.6 employer to comply with subdivision 2, to refrain from employing any person at any time
 29.7 without complying with subdivision 2, and to pay a penalty of up to \$1,000 per employee
 29.8 per week during which the employer was not in compliance.

29.9 (b) An employer shall have ten working days to contest such an order by filing a
 29.10 written objection with the commissioner, stating in detail its reasons for objecting. If the
 29.11 commissioner does not receive an objection within ten working days, the commissioner's
 29.12 order shall constitute a final order not subject to further review, and violation of that
 29.13 order shall be enforceable by way of civil contempt proceedings in district court. If the
 29.14 commissioner does receive a timely objection, the commissioner shall refer the matter to
 29.15 the Office of Administrative Hearings for an expedited hearing before a compensation
 29.16 judge. The compensation judge shall issue a decision either affirming, reversing, or
 29.17 modifying the commissioner's order within ten days of the close of the hearing. If the
 29.18 compensation judge affirms the commissioner's order, the compensation judge may order
 29.19 the employer to pay an additional penalty if the employer continued to employ persons
 29.20 without complying with subdivision 2 while the proceedings were pending.

29.21 (c) All penalties assessed under this subdivision shall be payable to the commissioner
 29.22 for deposit in the ~~assigned risk safety account~~ compliance assistance account in the special
 29.23 revenue fund. Penalties assessed under this section shall constitute a lien for government
 29.24 services pursuant to section 514.67, on all the employer's property and shall be subject to
 29.25 the Revenue Recapture Act in chapter 270A.

29.26 (d) For purposes of this subdivision, the term "employer" includes any owners or
 29.27 officers of a corporation who direct and control the activities of employees.

29.28 Sec. 41. Minnesota Statutes 2014, section 176.182, is amended to read:

29.29 **176.182 BUSINESS LICENSES OR PERMITS; COVERAGE REQUIRED.**

29.30 Every state or local licensing agency shall withhold the issuance or renewal of a
 29.31 license or permit to operate a business in Minnesota until the applicant presents acceptable
 29.32 evidence of compliance with the workers' compensation insurance coverage requirement
 29.33 of section 176.181, subdivision 2, by providing the name of the insurance company, the
 29.34 policy number, and dates of coverage or the permit to self-insure. The commissioner shall

30.1 assess a penalty to the employer of \$2,000 payable to the commissioner for deposit in the
 30.2 ~~assigned risk safety account~~ compliance assistance account in the special revenue fund, if
 30.3 the information is not reported or is falsely reported.

30.4 Neither the state nor any governmental subdivision of the state shall enter into any
 30.5 contract for the doing of any public work before receiving from all other contracting
 30.6 parties acceptable evidence of compliance with the workers' compensation insurance
 30.7 coverage requirement of section 176.181, subdivision 2.

30.8 This section shall not be construed to create any liability on the part of the state or any
 30.9 governmental subdivision to pay workers' compensation benefits or to indemnify the special
 30.10 compensation fund, an employer, or insurer who pays workers' compensation benefits.

30.11 Sec. 42. Minnesota Statutes 2014, section 176.185, subdivision 5a, is amended to read:

30.12 Subd. 5a. **Penalty for improper withholding.** An employer who violates
 30.13 subdivision 5 after notice from the commissioner is subject to a penalty of 400 percent of
 30.14 the amount withheld from or charged the employee. The penalty shall be imposed by the
 30.15 commissioner. Forty percent of this penalty is payable to the commissioner for deposit in
 30.16 the ~~assigned risk safety account~~ compliance assistance account in the special revenue fund
 30.17 and 60 percent is payable to the employee.

30.18 Sec. 43. Minnesota Statutes 2014, section 176.194, subdivision 4, is amended to read:

30.19 Subd. 4. **Penalties.** The penalties for violations of subdivision 3, clauses (1)
 30.20 through (6) and (9), are as follows:

30.21	1st through 5th violation of each	written warning
30.22	paragraph	
30.23	6th through 10th violation of each	\$3,000 per violation in excess of five
30.24	paragraph	
30.25	11 or more violations of each paragraph	\$6,000 per violation in excess of ten

30.26 For violations of subdivision 3, clauses (7) and (8), the penalties are:

30.27	1st through 5th violation of each	\$3,000 per violation
30.28	paragraph	
30.29	6 or more violations of each paragraph	\$6,000 per violation in excess of five

30.30 The penalties under this section may be imposed in addition to other penalties under
 30.31 this chapter that might apply for the same violation. The penalties under this section are
 30.32 assessed by the commissioner and are payable to the commissioner for deposit in the
 30.33 ~~assigned risk safety account~~ compliance assistance account in the special revenue fund.
 30.34 A party may object to the penalty and request a formal hearing under section 176.85. If
 30.35 an entity has more than 30 violations within any 12-month period, in addition to the

31.1 monetary penalties provided, the commissioner may refer the matter to the commissioner
 31.2 of commerce with recommendation for suspension or revocation of the entity's (a) license
 31.3 to write workers' compensation insurance; (b) license to administer claims on behalf of a
 31.4 self-insured, the assigned risk plan, or the Minnesota Insurance Guaranty Association; (c)
 31.5 authority to self-insure; or (d) license to adjust claims. The commissioner of commerce
 31.6 shall follow the procedures specified in section 176.195.

31.7 Sec. 44. Minnesota Statutes 2014, section 176.221, subdivision 3, is amended to read:

31.8 Subd. 3. **Penalty.** If the employer or insurer does not begin payment of
 31.9 compensation within the time limit prescribed under subdivision 1 or 8, the commissioner
 31.10 may assess a penalty, payable to the commissioner for deposit in the ~~assigned risk safety~~
 31.11 ~~account~~ compliance assistance account in the special revenue fund, which shall be a
 31.12 percentage of the amount of compensation to which the employee is entitled to receive up
 31.13 to the date compensation payment is made.

31.14 The amount of penalty shall be determined as follows:

31.15	Number of days late	Penalty
31.16	1 - 15	30 percent of compensation due,
31.17		not to exceed \$500,
31.18	16 - 30	55 percent of compensation due,
31.19		not to exceed \$1,500,
31.20	31 - 60	80 percent of compensation due,
31.21		not to exceed \$3,500,
31.22	61 or more	105 percent of compensation due,
31.23		not to exceed \$5,000.

31.24 The penalty under this section is in addition to any penalty otherwise provided
 31.25 by statute.

31.26 Sec. 45. Minnesota Statutes 2014, section 176.221, subdivision 3a, is amended to read:

31.27 Subd. 3a. **Penalty.** In lieu of any other penalty under this section, the commissioner
 31.28 may assess a penalty of up to \$2,000 payable to the commissioner for deposit in the
 31.29 ~~assigned risk safety account~~ compliance assistance account in the special revenue fund
 31.30 for each instance in which an employer or insurer does not pay benefits or file a notice of
 31.31 denial of liability within the time limits prescribed under this section.

31.32 Sec. 46. Minnesota Statutes 2014, section 176.225, subdivision 5, is amended to read:

31.33 Subd. 5. **Penalty.** Where the employer is guilty of inexcusable delay in making
 31.34 payments, the payments which are found to be delayed shall be increased by 25 percent.
 31.35 Withholding amounts unquestionably due because the injured employee refuses to execute

32.1 a release of the employee's right to claim further benefits will be regarded as inexcusable
 32.2 delay in the making of compensation payments. If any sum ordered by the department
 32.3 to be paid is not paid when due, and no appeal of the order is made, the sum shall bear
 32.4 interest at the rate of 12 percent per annum. Any penalties paid pursuant to this section
 32.5 must be deposited in the compliance assistance account in the special revenue fund and
 32.6 shall not be considered as a loss or expense item for purposes of a petition for a rate
 32.7 increase made pursuant to chapter 79.

32.8 Sec. 47. Minnesota Statutes 2014, section 176.231, subdivision 10, is amended to read:

32.9 Subd. 10. **Failure to file required report, penalty.** If an employer, qualified
 32.10 rehabilitation consultant or rehabilitation vendor, insurer, physician, chiropractor, or other
 32.11 health provider fails to file with the commissioner any report required by this chapter in
 32.12 the manner and within the time limitations prescribed, or otherwise fails to provide a
 32.13 report required by this chapter in the manner provided by this chapter, the commissioner
 32.14 may impose a penalty of up to \$500 for each failure.

32.15 The imposition of a penalty may be appealed to a compensation judge within 30
 32.16 days of notice of the penalty.

32.17 Penalties collected by the state under this subdivision shall be payable to the
 32.18 commissioner for deposit into the ~~assigned risk safety account~~ compliance assistance
 32.19 account in the special revenue fund.

32.20 Sec. 48. Minnesota Statutes 2014, section 176.238, subdivision 10, is amended to read:

32.21 Subd. 10. **Fines; violation.** An employer who violates requirements set forth in this
 32.22 section or section 176.239 is subject to a fine of up to \$1,000 for each violation payable to
 32.23 the commissioner for deposit in the ~~assigned risk safety account~~ compliance assistance
 32.24 account in the special revenue fund.

32.25 Sec. 49. Minnesota Statutes 2014, section 176.84, subdivision 2, is amended to read:

32.26 Subd. 2. **Penalty.** The commissioner or compensation judge may impose a penalty
 32.27 of \$500 for each violation of subdivision 1. This penalty is payable to the commissioner
 32.28 for deposit in the ~~assigned risk safety account~~ compliance assistance account in the special
 32.29 revenue fund.

32.30 Sec. 50. Minnesota Statutes 2014, section 182.666, subdivision 7, is amended to read:

32.31 Subd. 7. **Payment of fines; unpaid fines.** Fines imposed under this chapter shall be
 32.32 paid to the commissioner for deposit in the ~~special compensation~~ compliance assistance

33.1 account in the special revenue fund and may be recovered, subject to appropriation, in a
 33.2 civil action in the name of the department brought in the district court of the county where
 33.3 the violation is alleged to have occurred or the district court where the commissioner has an
 33.4 office. Unpaid fines shall be increased to 125 percent of the original assessed amount if not
 33.5 paid within 60 days after the fine becomes a final order. After that 60 days, unpaid fines shall
 33.6 accrue an additional penalty of ten percent per month compounded monthly until the fine
 33.7 is paid in full or until the fine has accrued to 300 percent of the original assessed amount.

33.8 Sec. 51. Minnesota Statutes 2014, section 239.785, subdivision 6, is amended to read:

33.9 Subd. 6. **Liquefied petroleum gas account.** A liquefied petroleum gas account in
 33.10 the special revenue fund is established in the state treasury. Fees ~~and penalties~~ collected
 33.11 under this section must be deposited in the state treasury and credited to the liquefied
 33.12 petroleum gas account. Money in that account, including interest earned, is appropriated
 33.13 to the commissioner of commerce for programs to improve the energy efficiency of
 33.14 residential liquefied petroleum gas heating equipment in low-income households, and,
 33.15 when necessary, to provide weatherization services to the homes. Penalties must be
 33.16 deposited in the compliance assistance account in the special revenue fund.

33.17 Sec. 52. Minnesota Statutes 2014, section 245A.10, subdivision 4, is amended to read:

33.18 Subd. 4. **License or certification fee for certain programs.** (a) Child care centers
 33.19 shall pay an annual nonrefundable license fee based on the following schedule:

33.20		Child Care Center
33.21	Licensed Capacity	License Fee
33.22	1 to 24 persons	\$200
33.23	25 to 49 persons	\$300
33.24	50 to 74 persons	\$400
33.25	75 to 99 persons	\$500
33.26	100 to 124 persons	\$600
33.27	125 to 149 persons	\$700
33.28	150 to 174 persons	\$800
33.29	175 to 199 persons	\$900
33.30	200 to 224 persons	\$1,000
33.31	225 or more persons	\$1,100

33.32 (b)(1) A program licensed to provide one or more of the home and community-based
 33.33 services and supports identified under chapter 245D to persons with disabilities or age
 33.34 65 and older, shall pay an annual nonrefundable license fee based on revenues derived
 33.35 from the provision of services that would require licensure under chapter 245D during the

34.1 calendar year immediately preceding the year in which the license fee is paid, according to
 34.2 the following schedule:

34.3	License Holder Annual Revenue	License Fee
34.4	less than or equal to \$10,000	\$200
34.5	greater than \$10,000 but less than or	
34.6	equal to \$25,000	\$300
34.7	greater than \$25,000 but less than or	
34.8	equal to \$50,000	\$400
34.9	greater than \$50,000 but less than or	
34.10	equal to \$100,000	\$500
34.11	greater than \$100,000 but less than or	
34.12	equal to \$150,000	\$600
34.13	greater than \$150,000 but less than or	
34.14	equal to \$200,000	\$800
34.15	greater than \$200,000 but less than or	
34.16	equal to \$250,000	\$1,000
34.17	greater than \$250,000 but less than or	
34.18	equal to \$300,000	\$1,200
34.19	greater than \$300,000 but less than or	
34.20	equal to \$350,000	\$1,400
34.21	greater than \$350,000 but less than or	
34.22	equal to \$400,000	\$1,600
34.23	greater than \$400,000 but less than or	
34.24	equal to \$450,000	\$1,800
34.25	greater than \$450,000 but less than or	
34.26	equal to \$500,000	\$2,000
34.27	greater than \$500,000 but less than or	
34.28	equal to \$600,000	\$2,250
34.29	greater than \$600,000 but less than or	
34.30	equal to \$700,000	\$2,500
34.31	greater than \$700,000 but less than or	
34.32	equal to \$800,000	\$2,750
34.33	greater than \$800,000 but less than or	
34.34	equal to \$900,000	\$3,000
34.35	greater than \$900,000 but less than or	
34.36	equal to \$1,000,000	\$3,250
34.37	greater than \$1,000,000 but less than or	
34.38	equal to \$1,250,000	\$3,500
34.39	greater than \$1,250,000 but less than or	
34.40	equal to \$1,500,000	\$3,750
34.41	greater than \$1,500,000 but less than or	
34.42	equal to \$1,750,000	\$4,000
34.43	greater than \$1,750,000 but less than or	
34.44	equal to \$2,000,000	\$4,250
34.45	greater than \$2,000,000 but less than or	
34.46	equal to \$2,500,000	\$4,500
34.47	greater than \$2,500,000 but less than or	
34.48	equal to \$3,000,000	\$4,750

35.1	greater than \$3,000,000 but less than or	
35.2	equal to \$3,500,000	\$5,000
35.3	greater than \$3,500,000 but less than or	
35.4	equal to \$4,000,000	\$5,500
35.5	greater than \$4,000,000 but less than or	
35.6	equal to \$4,500,000	\$6,000
35.7	greater than \$4,500,000 but less than or	
35.8	equal to \$5,000,000	\$6,500
35.9	greater than \$5,000,000 but less than or	
35.10	equal to \$7,500,000	\$7,000
35.11	greater than \$7,500,000 but less than or	
35.12	equal to \$10,000,000	\$8,500
35.13	greater than \$10,000,000 but less than	
35.14	or equal to \$12,500,000	\$10,000
35.15	greater than \$12,500,000 but less than	
35.16	or equal to \$15,000,000	\$14,000
35.17	greater than \$15,000,000	\$18,000

35.18 (2) If requested, the license holder shall provide the commissioner information to
 35.19 verify the license holder's annual revenues or other information as needed, including
 35.20 copies of documents submitted to the Department of Revenue.

35.21 (3) At each annual renewal, a license holder may elect to pay the highest renewal
 35.22 fee, and not provide annual revenue information to the commissioner.

35.23 (4) A license holder that knowingly provides the commissioner incorrect revenue
 35.24 amounts for the purpose of paying a lower license fee shall be subject to a civil penalty
 35.25 in the amount of double the fee the provider should have paid. The commissioner shall
 35.26 deposit civil penalties in the compliance assistance account in the special revenue fund.

35.27 (5) Notwithstanding clause (1), a license holder providing services under one or
 35.28 more licenses under chapter 245B that are in effect on May 15, 2013, shall pay an annual
 35.29 license fee for calendar years 2014, 2015, and 2016, equal to the total license fees paid
 35.30 by the license holder for all licenses held under chapter 245B for calendar year 2013.
 35.31 For calendar year 2017 and thereafter, the license holder shall pay an annual license fee
 35.32 according to clause (1).

35.33 (c) A chemical dependency treatment program licensed under Minnesota Rules,
 35.34 parts 9530.6405 to 9530.6505, to provide chemical dependency treatment shall pay an
 35.35 annual nonrefundable license fee based on the following schedule:

35.36	Licensed Capacity	License Fee
35.37	1 to 24 persons	\$600
35.38	25 to 49 persons	\$800
35.39	50 to 74 persons	\$1,000
35.40	75 to 99 persons	\$1,200
35.41	100 or more persons	\$1,400

36.1 (d) A chemical dependency program licensed under Minnesota Rules, parts
 36.2 9530.6510 to 9530.6590, to provide detoxification services shall pay an annual
 36.3 nonrefundable license fee based on the following schedule:

36.4	Licensed Capacity	License Fee
36.5	1 to 24 persons	\$760
36.6	25 to 49 persons	\$960
36.7	50 or more persons	\$1,160

36.8 (e) Except for child foster care, a residential facility licensed under Minnesota Rules,
 36.9 chapter 2960, to serve children shall pay an annual nonrefundable license fee based on
 36.10 the following schedule:

36.11	Licensed Capacity	License Fee
36.12	1 to 24 persons	\$1,000
36.13	25 to 49 persons	\$1,100
36.14	50 to 74 persons	\$1,200
36.15	75 to 99 persons	\$1,300
36.16	100 or more persons	\$1,400

36.17 (f) A residential facility licensed under Minnesota Rules, parts 9520.0500 to
 36.18 9520.0670, to serve persons with mental illness shall pay an annual nonrefundable license
 36.19 fee based on the following schedule:

36.20	Licensed Capacity	License Fee
36.21	1 to 24 persons	\$2,525
36.22	25 or more persons	\$2,725

36.23 (g) A residential facility licensed under Minnesota Rules, parts 9570.2000 to
 36.24 9570.3400, to serve persons with physical disabilities shall pay an annual nonrefundable
 36.25 license fee based on the following schedule:

36.26	Licensed Capacity	License Fee
36.27	1 to 24 persons	\$450
36.28	25 to 49 persons	\$650
36.29	50 to 74 persons	\$850
36.30	75 to 99 persons	\$1,050
36.31	100 or more persons	\$1,250

36.32 (h) A program licensed to provide independent living assistance for youth under
 36.33 section 245A.22 shall pay an annual nonrefundable license fee of \$1,500.

36.34 (i) A private agency licensed to provide foster care and adoption services under
 36.35 Minnesota Rules, parts 9545.0755 to 9545.0845, shall pay an annual nonrefundable
 36.36 license fee of \$875.

37.1 (j) A program licensed as an adult day care center licensed under Minnesota Rules,
 37.2 parts 9555.9600 to 9555.9730, shall pay an annual nonrefundable license fee based on
 37.3 the following schedule:

37.4	Licensed Capacity	License Fee
37.5	1 to 24 persons	\$500
37.6	25 to 49 persons	\$700
37.7	50 to 74 persons	\$900
37.8	75 to 99 persons	\$1,100
37.9	100 or more persons	\$1,300

37.10 (k) A program licensed to provide treatment services to persons with sexual
 37.11 psychopathic personalities or sexually dangerous persons under Minnesota Rules, parts
 37.12 9515.3000 to 9515.3110, shall pay an annual nonrefundable license fee of \$20,000.

37.13 (l) A mental health center or mental health clinic requesting certification for
 37.14 purposes of insurance and subscriber contract reimbursement under Minnesota Rules,
 37.15 parts 9520.0750 to 9520.0870, shall pay a certification fee of \$1,550 per year. If the
 37.16 mental health center or mental health clinic provides services at a primary location with
 37.17 satellite facilities, the satellite facilities shall be certified with the primary location without
 37.18 an additional charge.

37.19 Sec. 53. Minnesota Statutes 2014, section 297F.21, subdivision 3, is amended to read:

37.20 Subd. 3. **Inventory; judicial determination; appeal; disposition of seized**
 37.21 **property.** (a) Within ten days after the seizure of any alleged contraband, the person
 37.22 making the seizure shall serve by certified mail an inventory of the property seized on the
 37.23 person from whom the seizure was made, if known, and on any person known or believed
 37.24 to have any right, title, interest, or lien in the property, at the last known address, and file
 37.25 a copy with the commissioner. The notice must include an explanation of the right to
 37.26 demand a judicial forfeiture determination.

37.27 (b) Within 60 days after the date of service of the inventory, which is the date of
 37.28 mailing, the person from whom the property was seized or any person claiming an interest
 37.29 in the property may file a demand for a judicial determination of the question as to whether
 37.30 the property was lawfully subject to seizure and forfeiture. The demand must be in the
 37.31 form of a civil complaint and must be filed with the court administrator in the county in
 37.32 which the seizure occurred, together with proof of service of a copy of the complaint
 37.33 on the commissioner of revenue, and the standard filing fee for civil actions unless the
 37.34 petitioner has the right to sue in forma pauperis under section 563.01. If the value of the
 37.35 seized property is \$10,000 or less, the claimant may file an action in conciliation court for

38.1 recovery of the property. If the value of the seized property is less than \$500, the claimant
38.2 does not have to pay the conciliation court filing fee.

38.3 (c) The complaint must be captioned in the name of the claimant as plaintiff and
38.4 the seized property as defendant, and must state with specificity the grounds on which
38.5 the claimant alleges the property was improperly seized and the plaintiff's interest in the
38.6 property seized. No responsive pleading is required of the commissioner, and no court
38.7 fees may be charged for the commissioner's appearance in the matter. The proceedings
38.8 are governed by the Rules of Civil Procedure. Notwithstanding any law to the contrary,
38.9 an action for the return of property seized under this section may not be maintained by
38.10 or on behalf of any person who has been served with an inventory unless the person has
38.11 complied with this subdivision. The court shall decide whether the alleged contraband is
38.12 contraband, as defined in subdivision 1. The court shall hear the action without a jury and
38.13 shall try and determine the issues of fact and law involved.

38.14 (d) When a judgment of forfeiture is entered, unless the judgment is stayed pending
38.15 an appeal, the commissioner:

38.16 (1) may authorize the forfeited property to be used for the purpose of enforcing a
38.17 criminal provision of state or federal law;

38.18 (2) shall cause forfeited cigarette packages or tobacco products not used under
38.19 clause (1) to be destroyed and products used under clause (1) to be destroyed upon the
38.20 completion of use; and

38.21 (3) may cause the forfeited property, other than forfeited cigarette packages or
38.22 tobacco products, to be sold at public auction as provided by law.

38.23 The person making a sale, after deducting the expense of keeping the property, the
38.24 fee for seizure, and the costs of the sale, shall pay all liens according to their priority, which
38.25 are established as being bona fide and as existing without the lienor having any notice or
38.26 knowledge that the property was being used or was intended to be used for or in connection
38.27 with the violation. The balance of the proceeds must be paid 75 percent to the ~~Department~~
38.28 ~~of Revenue for deposit as a supplement to its operating fund or similar fund for official use~~
38.29 compliance assistance account in the special revenue fund, and 25 percent to the county
38.30 attorney or other prosecuting agency that handled the court proceeding, if there is one, for
38.31 deposit as a supplement to its operating fund or similar fund for prosecutorial purposes. If
38.32 there is no prosecuting authority involved in the forfeiture, the 25 percent of the proceeds
38.33 otherwise designated for the prosecuting authority must be deposited into the general fund.

38.34 (e) If no demand for judicial determination is made, the property seized is considered
38.35 forfeited to the state by operation of law and may be disposed of by the commissioner as
38.36 provided in the case of a judgment of forfeiture.

39.1 Sec. 54. Minnesota Statutes 2014, section 297G.20, subdivision 4, is amended to read:

39.2 Subd. 4. **Inventory; judicial determination; appeal; disposition of seized**
39.3 **property.** (a) Within ten days after the seizure of alleged contraband, the person making
39.4 the seizure shall serve by certified mail an inventory of the property seized on the person
39.5 from whom the property was seized, if known, and on any person known or believed to
39.6 have any right, title, interest, or lien in the property, at the last known address, and file a
39.7 copy with both the commissioners of revenue and public safety. The notice must include
39.8 an explanation of the right to demand a judicial forfeiture determination.

39.9 (b) Within 60 days after the date of service of the inventory, which is the date of
39.10 mailing, the person from whom the property was seized or any person claiming an interest
39.11 in the property may file a demand for judicial determination of whether the property was
39.12 lawfully subject to seizure and forfeiture. The demand must be in the form of a civil
39.13 complaint and must be filed with the court administrator in the county in which the seizure
39.14 occurred, together with proof of service of a copy of the complaint on the commissioner of
39.15 revenue or public safety, and the standard filing fee for civil actions unless the petitioner
39.16 has the right to sue in forma pauperis under section 563.01. If the value of the seized
39.17 property or vehicle is \$10,000 or less, the claimant may file an action in conciliation court
39.18 for recovery of the property. If the value of the seized property is less than \$500, the
39.19 claimant does not have to pay the conciliation court filing fee.

39.20 (c) The complaint must be captioned in the name of the claimant as plaintiff and
39.21 the seized property as defendant, and must state with specificity the grounds on which
39.22 the claimant alleges the property was improperly seized and the plaintiff's interest in the
39.23 property seized. No responsive pleading is required of the commissioner of revenue or
39.24 public safety and no court fees may be charged for either commissioner's appearance in the
39.25 matter. The proceedings are governed by the Rules of Civil Procedure. Notwithstanding
39.26 any law to the contrary, an action for the return of property seized under this section may
39.27 not be maintained by or on behalf of any person who has been served with an inventory
39.28 unless the person has complied with this subdivision. The court shall hear the action
39.29 without a jury and determine the issues of fact and law involved.

39.30 (d) If a judgment of forfeiture is entered, the seizing authority may, unless the
39.31 judgment is stayed pending an appeal, either:

- 39.32 (1) cause the forfeited property, other than a vehicle, to be destroyed; or
39.33 (2) cause it to be sold at a public auction as provided by law.

39.34 The person making a sale, after deducting the expense of keeping the property, the
39.35 fee for seizure, and the costs of the sale, shall pay all liens according to their priority, which
39.36 are established as being bona fide and as existing without the lienor having any notice or

40.1 knowledge that the property was being used or was intended to be used for or in connection
 40.2 with the violation. The balance of the proceeds must be paid 75 percent to the ~~seizing~~
 40.3 ~~authority for deposit as a supplement to its operating fund or similar fund for official use~~
 40.4 compliance assistance account in the special revenue fund, and 25 percent to the county
 40.5 attorney or other prosecuting agency that handled the court proceeding, if there is one, for
 40.6 deposit as a supplement to its operating fund or similar fund for prosecutorial purposes. If
 40.7 there is no prosecuting authority involved in the forfeiture, the 25 percent of the proceeds
 40.8 otherwise designated for the prosecuting authority must be deposited into the general fund.

40.9 (e) If no demand is made, the property seized is considered forfeited to the seizing
 40.10 authority by operation of law and may be disposed of by the seizing authority as provided
 40.11 for a judgment of forfeiture.

40.12 Sec. 55. Minnesota Statutes 2014, section 297I.05, subdivision 5, is amended to read:

40.13 Subd. 5. **Health maintenance organizations, nonprofit health service plan**
 40.14 **corporations, and community integrated service networks.** (a) A tax is imposed on
 40.15 health maintenance organizations, community integrated service networks, and nonprofit
 40.16 health care service plan corporations. The rate of tax is equal to one percent of gross
 40.17 premiums less return premiums on all direct business received by the organization, network,
 40.18 or corporation or its agents in Minnesota, in cash or otherwise, in the calendar year.

40.19 (b) The commissioner shall deposit all revenues, including ~~penalties and~~ interest,
 40.20 collected under this chapter from health maintenance organizations, community integrated
 40.21 service networks, and nonprofit health service plan corporations in the health care access
 40.22 fund. Penalties must be deposited in the compliance assistance account in the special
 40.23 revenue fund. Refunds of overpayments of tax imposed by this subdivision must be paid
 40.24 from the health care access fund. There is annually appropriated from the health care
 40.25 access fund to the commissioner the amount necessary to make any refunds of the tax
 40.26 imposed under this subdivision.

40.27 Sec. 56. Minnesota Statutes 2014, section 299A.80, subdivision 8, is amended to read:

40.28 Subd. 8. **Education and compliance account; money allocated.** An education and
 40.29 compliance account is created for the deposit of administrative penalty order receipts. Of
 40.30 the funds deposited in this account, \$5,000 each year is appropriated to the commissioner
 40.31 for education and compliance activities related to the regulated parties affected by this
 40.32 chapter. At the end of each biennium, all money not expended lapses to the ~~general~~
 40.33 compliance assistance account in the special revenue fund.

41.1 Sec. 57. Minnesota Statutes 2014, section 299F.098, is amended to read:

41.2 **299F.098 PENALTIES.**

41.3 (a) An employer who violates a provision of sections 299F.091 to 299F.099 or a rule
41.4 or order adopted or made under the authority of those sections, that is determined by rule
41.5 not to be a violation of a serious nature, may be assessed a fine not to exceed \$1,000.

41.6 (b) An employer who violates a provision of sections 299F.091 to 299F.099 or a rule
41.7 or order adopted or made under the authority of those sections, that is determined by rule
41.8 to be of a serious nature, must be assessed a fine not to exceed \$1,000 for each violation.

41.9 (c) An employer who is convicted of knowingly making a false statement,
41.10 representation, or certification in an application, record, report, plan, or other document
41.11 filed or required to be maintained under sections 299F.091 to 299F.099 is guilty of a
41.12 gross misdemeanor.

41.13 (d) An employer who is convicted of willfully or repeatedly violating the
41.14 requirements of sections 299F.091 to 299F.099 or a rule or order adopted or made under
41.15 those sections is guilty of a gross misdemeanor.

41.16 (e) The penalties provided by this section may be imposed in a criminal action in the
41.17 name of the state brought in the district court of the county in which the violation is alleged
41.18 to have occurred or the district court where the commissioner has an office. Fines imposed
41.19 under sections 299F.091 to 299F.099 must be paid to the commissioner of public safety
41.20 and deposited in the general compliance assistance account in the special revenue fund.

41.21 (f) No employer may be convicted for violating sections 299F.091 to 299F.099 or a
41.22 rule or order made or issued under those sections unless the employer was notified of the
41.23 violation in writing and given a reasonable time to comply.

41.24 Sec. 58. Minnesota Statutes 2014, section 299M.10, is amended to read:

41.25 **299M.10 MONEY FEES CREDITED TO GENERAL FUND.**

41.26 The fees ~~and penalties~~ collected under this chapter, except as provided in section
41.27 299M.07, must be deposited in the state treasury and credited to the general fund. Money
41.28 received by the State Fire Marshal Division in the form of gifts, grants, reimbursements, or
41.29 appropriation from any source for the administration of this chapter must also be deposited
41.30 in the state treasury and credited to the general fund. Penalties must be deposited in the
41.31 compliance assistance account in the special revenue fund.

41.32 Sec. 59. Minnesota Statutes 2014, section 325G.28, subdivision 1, is amended to read:

41.33 Subdivision 1. **Attorney general enforcement authority.** The attorney general
41.34 shall investigate violations of sections 325G.23 to 325G.28. When the attorney general

42.1 possesses information providing reasonable ground to believe that any person has violated
 42.2 or is about to violate any provision of sections 325G.23 to 325G.28, or that any club is
 42.3 insolvent the attorney general shall be entitled on behalf of the state (a) to sue for and
 42.4 have injunctive relief in any court of competent jurisdiction against any such violation or
 42.5 threatened violation without abridging the penalties provided by law; (b) to sue for and
 42.6 recover for the state, from any person who is found to have violated any provision of
 42.7 sections 325G.23 to 325G.28, a civil penalty, in an amount to be determined by the court,
 42.8 not in excess of \$25,000; and in case the club has failed to maintain the bond required
 42.9 by sections 325G.23 to 325G.28, or is insolvent or in imminent danger of insolvency, to
 42.10 sue for and have an order appointing a receiver to wind up its affairs. All civil penalties
 42.11 recovered under this subdivision shall be deposited in the ~~general~~ compliance assistance
 42.12 account in the special revenue fund of the state treasury.

42.13 Sec. 60. Minnesota Statutes 2014, section 341.321, is amended to read:

42.14 **341.321 FEE SCHEDULE.**

42.15 (a) The fee schedule for professional licenses issued by the commissioner is as
 42.16 follows:

- 42.17 (1) referees, \$80 for each initial license and each renewal;
- 42.18 (2) promoters, \$700 for each initial license and each renewal;
- 42.19 (3) judges and knockdown judges, \$80 for each initial license and each renewal;
- 42.20 (4) trainers, \$80 for each initial license and each renewal;
- 42.21 (5) ring announcers, \$80 for each initial license and each renewal;
- 42.22 (6) seconds, \$80 for each initial license and each renewal;
- 42.23 (7) timekeepers, \$80 for each initial license and each renewal;
- 42.24 (8) combatants, \$100 for each initial license and each renewal;
- 42.25 (9) managers, \$80 for each initial license and each renewal; and
- 42.26 (10) ringside physicians, \$80 for each initial license and each renewal.

42.27 In addition to the license fee and the late filing penalty fee in section 341.32, subdivision
 42.28 2, if applicable, an individual who applies for a professional license on the same day the
 42.29 combative sporting event is held shall pay a late fee of \$100 plus the original license fee of
 42.30 \$120 at the time the application is submitted.

42.31 (b) The fee schedule for amateur licenses issued by the commissioner is as follows:

- 42.32 (1) referees, \$80 for each initial license and each renewal;
- 42.33 (2) promoters, \$700 for each initial license and each renewal;
- 42.34 (3) judges and knockdown judges, \$80 for each initial license and each renewal;
- 42.35 (4) trainers, \$80 for each initial license and each renewal;

- 43.1 (5) ring announcers, \$80 for each initial license and each renewal;
 43.2 (6) seconds, \$80 for each initial license and each renewal;
 43.3 (7) timekeepers, \$80 for each initial license and each renewal;
 43.4 (8) combatant, \$60 for each initial license and each renewal;
 43.5 (9) managers, \$80 for each initial license and each renewal; and
 43.6 (10) ringside physicians, \$80 for each initial license and each renewal.

43.7 (c) The commissioner shall establish a contest fee for each combative sport contest.
 43.8 The professional combative sport contest fee is \$1,500 per event or not more than four
 43.9 percent of the gross ticket sales, whichever is greater, as determined by the commissioner
 43.10 when the combative sport contest is scheduled, the amateur combative sport contest fee
 43.11 shall be \$1,500 or not more than four percent of the gross ticket sales, whichever is
 43.12 greater. The commissioner shall consider the size and type of venue when establishing a
 43.13 contest fee. The commissioner may establish the maximum number of complimentary
 43.14 tickets allowed for each event by rule. A professional or amateur combative sport contest
 43.15 fee is nonrefundable.

43.16 (d) All fees ~~and penalties~~ collected by the commissioner must be deposited in the
 43.17 commissioner account in the special revenue fund. All penalties must be deposited in the
 43.18 compliance assistance account in the special revenue fund.

43.19 Sec. 61. Minnesota Statutes 2014, section 349.151, subdivision 4, is amended to read:

43.20 Subd. 4. **Powers and duties.** (a) The board has the following powers and duties:

43.21 (1) to regulate lawful gambling to ensure it is conducted in the public interest;

43.22 (2) to issue licenses to organizations and gambling managers, and to issue licenses
 43.23 and renewals to distributors, distributor salespersons, manufacturers, and linked bingo
 43.24 game providers;

43.25 (3) to collect and deposit fees due under this chapter;

43.26 (4) to receive reports required by this chapter and inspect all premises, records,
 43.27 books, and other documents of organizations, distributors, manufacturers, and linked
 43.28 bingo game providers to insure compliance with all applicable laws and rules;

43.29 (5) to make rules authorized by this chapter;

43.30 (6) to register gambling equipment and issue registration stamps;

43.31 (7) to provide by rule for the mandatory posting by organizations conducting lawful
 43.32 gambling of rules of play and the odds and/or house percentage on each form of lawful
 43.33 gambling;

43.34 (8) to report annually to the governor and legislature on its activities and on
 43.35 recommended changes in the laws governing gambling;

44.1 (9) to report annually to the governor and legislature a financial summary for each
44.2 licensed organization identifying the gross receipts, prizes paid, allowable expenses,
44.3 lawful purpose expenditures including charitable contributions and all taxes and fees as
44.4 per section 349.12, subdivision 25, paragraph (a), clauses (8) and (18), and the percentage
44.5 of annual gross profit used for lawful purposes;

44.6 (10) to impose civil penalties of not more than \$1,000 per violation on organizations,
44.7 distributors, distributor salespersons, manufacturers, linked bingo game providers, and
44.8 gambling managers for violating or failing to comply with any provision of this chapter,
44.9 chapter 297E, or any rule or order of the board;

44.10 (11) to issue premises permits to organizations licensed to conduct lawful gambling;

44.11 (12) to delegate to the director the authority to issue or deny license and premises
44.12 permit applications and renewals under criteria established by the board;

44.13 (13) to delegate to the director the authority to approve or deny fund loss requests,
44.14 contribution of gambling funds to another licensed organization, and property expenditure
44.15 requests under criteria established by the board;

44.16 (14) to suspend or revoke licenses and premises permits of organizations,
44.17 distributors, distributor salespersons, manufacturers, linked bingo game providers, or
44.18 gambling managers as provided in this chapter;

44.19 (15) to approve or deny requests from licensees for:

44.20 (i) waivers from fee requirements as provided in section 349.16, subdivision 6; and

44.21 (ii) variances from Gambling Control Board rules under section 14.055; and

44.22 (16) to register employees of organizations licensed to conduct lawful gambling;

44.23 (17) to require fingerprints from persons determined by board rule to be subject to
44.24 fingerprinting;

44.25 (18) to delegate to a compliance review group of the board the authority to investigate
44.26 alleged violations, issue consent orders, and initiate contested cases on behalf of the board;

44.27 (19) to order organizations, distributors, distributor salespersons, manufacturers,
44.28 linked bingo game providers, and gambling managers to take corrective actions; and

44.29 (20) to take all necessary steps to ensure the integrity of and public confidence
44.30 in lawful gambling.

44.31 (b) The board, or director if authorized to act on behalf of the board, may by citation
44.32 assess any organization, distributor, distributor salesperson, manufacturer, linked bingo
44.33 game provider, or gambling manager a civil penalty of not more than \$1,000 per violation
44.34 for a failure to comply with any provision of this chapter, chapter 297E, or any rule adopted
44.35 or order issued by the board. Any organization, distributor, distributor salesperson,
44.36 gambling manager, linked bingo game provider, or manufacturer assessed a civil penalty

45.1 under this paragraph may request a hearing before the board. Appeals of citations imposing
45.2 a civil penalty are not subject to the provisions of the Administrative Procedure Act.

45.3 (c) All penalties received by the board must be deposited in the ~~general~~ compliance
45.4 assistance account in the special revenue fund.

45.5 (d) All fees imposed by the board under sections 349.16 to 349.167 must be
45.6 deposited in the state treasury and credited to a lawful gambling regulation account in the
45.7 special revenue fund. Receipts in this account are available for the operations of the board
45.8 up to the amount authorized in biennial appropriations from the legislature.

APPENDIX
Article locations in 15-2080

ARTICLE 1	COMPLIANCE ASSISTANCE; PENALTY REVENUE GENERALLY	Page.Ln 1.24
ARTICLE 2	PENALTY REVENUE DISPOSITION	Page.Ln 3.5