

MDLA Legislative Report | 2023

2024 End-of-Session Legislative Report

Update June 10, 2023

The Minnesota Defense Lawyers Association ("MDLA") partners with Larkin Hoffman Daly & Lindgren ("Larkin Hoffman") to act as a bridge between the Minnesota Legislature and our members by monitoring legislation at the Minnesota State Capitol. Matthew Bergeron is available for MDLA members for outreach via email (mbergeron@larkinhoffman.com).

This initiative is designed to keep MDLA members informed on relevant issues. Larkin Hoffman does not lobby on behalf of MDLA or its members.

2024 Minnesota Legislative Summary

The Minnesota Legislature gaveled in the 2024 legislative session on February 12, 2024 with approximately 14 weeks to assemble a biennial capital investment proposal and address several outstanding policy and budget issues. The Legislature returned to the Capitol with new leadership in the Minnesota Senate as former Majority Leader Kari Dziedzic (DFL - Minneapolis) announced just before session that she was stepping down from her leadership position to focus on her health after receiving a renewed cancer diagnosis. Senate Democrats met in early February and elected Sen. Erin Murphy (DFL - St. Paul) to serve as the new Senate Majority Leader. The election was not without controversy within the caucus, and, with only a one vote majority, it was clear that Sen. Murphy had significant work to do to navigate this session with a unified caucus.

Session Starts with One-Time Surplus; "Structural Imbalance" in Next Biennium

In early December, the Office of Minnesota Management and Budget (MMB) released the first of two budget forecasts in anticipation of the 2024 legislative session, projecting a surplus of \$2.4 billion in the current FY 2024-2025 budget cycle. Consumer spending and corporate profit growth contributed to an increase in FY 2024-2025 tax revenue forecast, as well as greater than expected consumer spending, investment, and employment. However, higher than expected spending on health and human services and education in the next biennium and less than previously projected total tax revenues are expected to create a structural deficit in FY 2026-2027. This limited the amount of funds the 2024 legislature had for any capital investment and infrastructure bills, as well as other bills that have fiscal implications.

Session Starts Fast with Multiple Early Priorities

As has become custom in recent years, the 2024 legislative session started quickly with several high-profile pieces of legislation moving through the process in the first few weeks. Two of the more notable proposals included legislation that sought to clarify the impact of changes made to the state's School Resource Officer (SRO) law last session and legislation intended to fix a mistake in the 2023 omnibus tax bill.

• Reexamination of 2023 Changes to SRO Authority: Introduced by Sen. Bonnie Westlin (DFL-Plymouth) and Rep. Cedrick Frazier (DFL-New Hope), the proposal (H.F. 3489) was presented as clarifying changes to the statute governing SROs that was passed last session. Specifically, the 2023 legislation amended education statutes on corporal punishment to prohibit employees or agents of a school district from using certain holds on students, including prone restraints, except when it was necessary to restrain a student to prevent bodily harm or death to the student or another.

Law enforcement agencies raised questions last summer and fall as to how these changes related to state law authorizing the reasonable use of force by peace officers, teachers, school officials, and other people under the circumstances. In response, more than 40 police departments pulled officers from participating school districts. H.F. 3489 removed SROs from the category of an "agent of the school" and required the Peace Officer Standards and Training Board to consult with stakeholders to develop uniform training standards for SROs throughout the state.

On March 14, 2024, the House of Representatives passed H.F. 3489 by a vote of 119-9 and the Senate followed suit later passing the bill by a vote of 61-3. Gov. Walz signed H.F. 3489 into law later that day.

"Fix" to 2023 Omnibus Tax Bill: Sponsored by Rep. Aisha Gomez (DFL-Minneapolis) and Sen. Matt Klein (DFL-Mendota Heights), H.F. 2757 sought to remedy an error in the 2023 omnibus tax bill that inadvertently lowered the amount of the individual income tax standard deduction to 2019 levels. This would have omitted four years of adjustment for inflation.

The bill also made other technical changes to the tax code, including aligning the definition of "Tribal Nation" in statewide local housing aid with the wording in the current Tribal Nation aid program to ensure there is no discrepancy.

On February 19, 2024, the House of Representatives passed H.F. 2757 by a vote of 128-2 and the Senate followed suit on February 22, 2024 passing the bill by a vote of 66-0. Gov. Walz signed H.F. 2757 into law on February 26, 2024.

February Forecast Confirms Budget Surplus; "Structural Imbalance"

On February 29, 2023, MMB released its second budget forecast of the budget cycle, the "February forecast," showing an improved economic outlook since the November forecast. The budget forecast showed a projected surplus of \$3.715 billion to end the FY 2024-2025 biennium, an increase of \$1.324 billion compared to the November forecast. Concerns with the overall structural integrity of the state budget remained as the February forecast continued to show a deficit in the next biennium as spending is projected to exceed revenue through FY 2027.

Gov. Walz Releases Supplemental Budget Proposal; Legislative Leaders Announce Budget Targets

On March 18, 2024, Gov. Walz released his supplemental budget proposal, calling for an additional \$198 million in FY 2024-2025, leaving \$3.5 billion of the surplus unspent and held over for the next budget cycle. Gov. Walz's proposal included \$16 million to support ambulance services in Greater Minnesota, which have faced severe funding and personnel shortfalls along with grants to organizations that serve victims of crime, additional funding for services to prevent recidivism, and resources intended to prevent overdoses for people who are released from prisons and jails. The proposal also called for new investments in the state's child protection system, including funding to improve and modernize the state's child welfare and social services reporting system and funding for an additional 2,200 voluntary prekindergarten enrollments.

Later that week, Gov. Walz, Speaker of the House Melissa Hortman, and Senate Majority Erin Murphy announced that they had reached agreement on joint budget targets. This agreement called for an increase in state spending by approximately \$512 million, including \$53 million in tax aids and credits, \$43 million in additional education spending, \$42 million in additional human services spending, \$36 million for judiciary, and almost \$31 million for one-time educator pension contributions. The joint budget targets only addressed expenditures from the state's general fund and did not address appropriations associated with the biennial capital investment bill, colloquially known as the "bonding bill."

Gov. Walz Delivers State of the State Address

On March 26, 2024, Gov. Walz traveled to Owatonna High School in south central Minnesota to deliver his sixth State of the State address. During his address, Walz touted numerous legislative accomplishments from the 2023 legislative session to highlight the impact of the Democratic-Farmer-Labor Party's "trifecta" in anticipation of November's election. Focusing on education funding, free school lunches, investment in public infrastructure, and paid leave programs, Walz centered much of the discussion on Minnesota's future. He also highlighted legislative enactments focused on reproductive health as well as background checks and "red flag" laws for gun ownership.

Republican leaders, including Republican Party of Minnesota Chair David Hann, responded with criticism of the significant increases in state spending passed by the DFL legislature in the last session. They also critiqued the governor for what Chair Hann called "increased partisanship" and a "permanent campaign for higher office."

Amidst Scattered Holiday Breaks; Omnibus Policy and Supplemental Finance Take Shape

Late March and early April saw the legislative committees consider hundreds of policy and finance proposals, often

meeting well into the evening, as legislators worked to navigate a series of committee deadlines designed to winnow down the nearly 10,000 bills introduced this session. The work was interrupted at times by three short legislative breaks (Easter, Eid, and Passover) as opposed to the more conventional weeklong spring break. In the end, the legislature reached the third committee deadline on April 19, 2024, having assembled roughly two dozen omnibus policy and supplemental appropriation bills.

Senator's Arrest Creates Uncertainty Over Last Month of Session

On April 22, 2024, news broke that Sen. Nicole Mitchell (DFL-Woodbury) had been arrested in Detroit Lakes, Minnesota and subsequently charged with first-degree felony burglary on suspicion of breaking into her stepmother's house to retrieve sentimental items related to her late father. The arrest, and Sen. Mitchell's subsequent absence from the Senate the next week, raised significant questions as to how the Senate DFL Caucus, with its 34-33 majority, would be able to navigate the final weeks of the legislative session.

When the Senate returned from the Passover recess, Senate Republicans quickly filed an ethics complaint and brought a floor motion seeking to begin the expulsion process. While the motion failed on a 33-33 vote, it became clear that the ethics complaint would be center stage for the immediate future.

Sen. Majority Leader Erin Murphy responded the following week, announcing that Mitchell would be relieved of her committee assignments and removed from caucus meetings while her legal investigation is ongoing. However, this did not bar Sen. Mitchell from voting on the Senate floor, including on motions regarding her ability to continue to vote on measures before the body. Republican senators voiced their concern over this and argued she should not be able to cast her vote on the Senate floor prior to the Senate Ethical Conduct Subcommittee hearing.

On May, 7, 2024, the Senate Ethical Conduct Subcommittee met to, amongst other things, consider the ethics complaint made against Sen. Mitchell. Sen. Mitchel appeared but did not speak during her hearing as her attorney addressed the committee on her behalf. Following a lengthy series of questions from the bipartisan panel, the Senate Ethics Subcommittee determined that it would wait for its next meeting until June 12th, after Sen. Mitchell's next court date, though that decision was not without controversy.

Rideshare (Uber/Lyft) Bill Proves to Be Lynchpin to End-of-Session

A rideshare bill compromise passed the legislature shortly before the end of session as part of H.F. 5247, the omnibus tax bill. The proposal preempts the Minneapolis city ordinance and sets a minimum wage for drivers at \$1.28 per mile and 31 cents per minute. It will also create a rideshare driver's fund program with a one-time \$2 million FY 2025 appropriation from the Department of Employment and Economic Development's workforce development fund to make no-interest loans to transportation network company drivers to purchase a personal vehicle for providing rideshare services.

Catch-All Omnibus Bill Assembled in Final Hours

With the clock running out and the midnight deadline to pass legislation quickly approaching, Democrats combined approximately 10 different bills into the omnibus tax conference committee report and pushed them all as a single proposal. The proposal was brought to the floor of the House of Representatives with limited copies of the language available to members and the public. The bill ultimately passed the House of Representatives and Senate on a party line vote, with minority members protesting the process by which the bill was assembled, and the lack of time given to understand what was in the overall bill. No debate was allowed on the bill in either chamber.

Included in the bill were the following omnibus proposals:

- Omnibus Transportation, Housing, and Labor Appropriations Bill (H.F. 5242);
- Omnibus Health Professional Licensure & Scope of Practice Bill (H.F. 4247);
- Omnibus Higher Education Appropriations Bill (H.F. 4024);
- Increased penalties for straw firearm purchases and ban on binary triggers (H.F. 2609);
- Omnibus Energy and Agriculture Appropriations Bill (S.F. 4942);
- Omnibus Human Services Appropriations Bill (S.F. 5335);
- Omnibus Health and Human Services Appropriations Bill (S.F.4699);
- Paid Family & Medical Leave Modifications (H.F.5363); and,
- Omnibus Tax Bill (H.F. 5247).

Just before midnight on May 19, 2024, the collective proposal (formally presented as H.F. 5247) was passed by the House of Representatives on a 70-50 vote and the Senate on a 34-24 vote. The bill was signed by Gov. Walz on May 24, 2024, but it remains to be seen how the bill will stand up to legal scrutiny under the Single Subject and Title Clause of the Minnesota Constitution.

Despite the broad array of proposals included in the omnibus tax conference committee report, several significant and high-profile proposals did not pass. Following the passage of the major omnibus bill, the process repeated itself as Democrats attempted to pass what was purported to be a \$91 million general fund capital investment package. However, the language and corresponding spreadsheet were not publicly available and, again, debate was not permitted. While the package passed the House of Representatives, the clock hit midnight before the vote was completed in the Senate and the bill did not pass.

Legislature Adjourns Sine Die; Eyes Turn to November

Shortly after the bonding bill failed, the Minnesota Senate adjourned the 2024 legislative session sine die. The House of Representatives returned the next day, as is custom, to provide departing legislators the opportunity to make retirement speeches before adjournment. Legislators' attention now turns towards the campaign trail with the House of Representatives on the ballot this fall. However, the health of Sen. Kari Dziedzic (DFL-Minneapolis), the congressional campaign of Sen. Kelly Morrison (DFL-Deephaven) and the ongoing criminal case against Sen. Nicole Mitchell could result in as many as three Senate special elections being on the ballot this fall. With Senate Democrats having only a 34-33 majority, any one of these districts could swing the majority in the chamber. The Minnesota Legislature will begin the 2025 legislative session on January 14, 2025.

MDLA's Legislative Items of Interest

The following summarizes the primary legislative proposals and policy initiatives that the Larkin Hoffman government relations team tracked on the MDLA's behalf during the 2024 legislative session. If you have any questions, please do not hesitate to contact us.

Omnibus Public Safety and Judiciary Finance

H.F. 5216 (Moller) / S.F. 5337 (Latz)

In the final days of the legislative session, Senate and House leadership elected to combine the omnibus public safety and judiciary and policy and finance bills into one large omnibus bill with a \$53.9 million appropriation. Spending initiatives include:

- \$36 million for courts with district courts being the largest appropriation at \$30.3 million for FY 2024-2025. The Supreme Court would receive \$5.7 million, with \$5.1 million of that to enhance cybersecurity in all state judiciary system courts:
- \$22.3 million of the \$30 million noted above will be for district courts to hire more courtroom forensic examiners and boost their hourly pay from \$125 to \$136. They provide mental health examinations in civil commitment and criminal proceedings;
- The Department of Corrections would receive \$5.9 million in FY 2024 and \$2 million in FY 2025 to be used to hire more staff at the state's 11 prisons and boost their salaries. There would also be \$7.1 million in each year of the 2026-27 biennium;
- One-time \$500,000 appropriation in FY 2025 would fund a competitive grant program for courthouse safety and security improvements, including making security assessments, purchasing equipment and technologies, or training. Recipients would need to provide 50% matching funds; and,
- \$5.4 million to hire more certified courtroom interpreters for non-English speakers and increase their hourly pay from \$65 to \$75.

Some generalize policy provisions of note include:

- Various task forces and reports will be implemented to look at such issues as traffic stops, domestic violence and firearms, and violence against Latina women;
- Creating an 11-member State Board of Civil Legal Aid to make decisions about legal aid previously made by a Supreme Court advisory council;
- Expanding who is eligible for the Safe at Home operated by the Office of the Secretary of State;
- Allowing juveniles convicted of a crime to forgo paying a court-ordered fine if they participate in a local restorative process established by the Office of Restorative Justice; and,
- A provision to prevent a peace officer making a traffic stop for a secondary offense of the motor vehicle code from asking if the driver can identify the reason for the stop. Instead, an officer must first inform the driver of the reason for the stop before engaging in questioning related to the suspected violation.

With respect to the MDLA and its items of interest, the following provisions were incorporated in the final conference committee report:

- Article 15: Strikes language in statute that previously provided immunity from personal liability for private guardians who fail to provide for a person subject to guardianship. (See Section 01). It also contains language that provides that guardians who fail to provide for a person subject to a guardianship can be removed and are not held personally liable for their actions except when (1) the person subject to guardianship was harmed, and (2) the guardian acted in a reckless or intentional way to cause harm, or was grossly negligent. (See Section 11).
- Article 15: Contains language from S.F. 1760 (Kreun) increasing the jurisdictional dollar amount limit for cases that may be heard in conciliation court from \$15,000 to \$20,000. (See Section 06).

The following provision advanced through the legislative process, but were NOT incorporated in the final conference committee report:

• H.F. 3872 (Article 6, Section 2): Contains the language changing the statutory langue regarding equitable share from "a party's equitable share" to "any party's equitable share." As previously noted, this is an attempt to change the 2014 Staab decision which says there can be no reallocation to a severally liable party. This change will have the effect of making a severally liable defendant now jointly and severally liable for the insolvent defendant's liability.

On May 18, 2024, the House of Representatives adopted the final conference committee report and repassed the bill by a 107-19 vote. The Senate followed suit on May 19, 2024 passing the bill on a 34-33 vote. Gov. Walz signed the bill into law on May 24, 2024.

Transfer on Death Deed Changes

H.F. 3925 (Feist) / S.F. 3846 (Limmer)

Authored by Sen. Warren Limmer (R-Maple Grove) and Rep. Sandra Feist (DFL-New Brighton), H.F. 3925 would require an insurer providing an insurance policy on real property transferred by a transfer of death deed (TODD) to provide extended coverage to the designated grantee beneficiary for 30 days for the death of the grantor, the expiration date of the insurance policy, or when the designated grantee beneficiary acquires a separate insurance policy, whichever occurs earliest. The bill also requires the grantor owner to notify the insurer that the property is subject to a TODD and include the names and contract information of all designated grantee beneficiaries. It also:

- permits the insurer to require proof that the claimant is a grantee beneficiary under a valid TODD;
- clarifies that the grantee beneficiary does not have an insurable interest in the real property prior to the death of the grantor owner; and,
- requires TODDs to include a specific warning to the grantor owner and the grantee beneficiary related to temporary extended coverage.

Having been passed by the House of Representatives 123-0 on March 25, 2024, the bill was taken up and passed by the Senate 67-0 on April 18, 2024. The bill was signed into law on April 26, 2024.

Paid Family and Medical Leave Modifications

S.F. 5430 (Mann) / H.F. 5363 (Frazier)

Despite being introduced late in session and needing to have committee deadline rules waived, Democrats advanced significant legislation updating the 2023 paid family and medical leave law. The proposal was necessitated, at least in part, by an actuarial analysis completed earlier this year that showed the current 0.7% payroll premium rate to be too low to support the program. The 2024 proposal increases that rate 0.88% and allow for benefits to begin during an employee's first week of leave, a change from the 2023 law.

The legislation made a number of other changes to the paid family and medical leave program, including:

- Requiring employers covered under a private plan to file quarterly wage reports;
- Modifying the definition of "covered employment" from being based on a calendar year to a calendar guarter;
- Requiring employers covered under a private plan to cover former employees for 26 weeks or until they are hired by a new employer, whichever happens first;
- Clarifying that if a plan changes while an employee is on leave, the employer is required to cover the employee through the previously approved leave time:
- Allowing intermittent leave to be defined by the employer so long as the minimum increment is no more than one calendar day and providing that an applicant is not permitted to apply for intermittent leave until the applicant has accrued at least 8 hours of leave time, unless 30 days have passed since the initial taking of leave; and,
- Makes a 7-day qualifying event retroactively payable.

The paid family and medical leave modifications were passed by the Minnesota Legislature as part of the catch-all conference committee report (H.F. 5247) in the final hours of session. H.F. 5247 was signed by Gov. Walz on May 24, 2024.

Employer Misclassification

H.F. 4444 (Greenman) / S.F. 4483 (Oumou Verbeten)

For the second year in a row, the Minnesota Legislature invested considerable time examining employer/employee relationships in an effort to better protect individuals they believed were vulnerable or more susceptible to abuse. Part of that effort was in response to a report released by the Office of the Legislative Auditor (OLA) that highlighted what the OLA saw as a growing problem of employer misclassification. In promoting the bill, legislators hoped to combat employer misclassification fraud by expanding the investigative authority of enforcement agencies, adding additional penalties for violations, improving intergovernmental coordination, and providing more remedies for misclassified workers. Many business leaders, particularly those in the construction industry, raised concerns that the bill imposes on legitimate independent contractor relationships.

Originally included in the omnibus transportation, housing and labor supplemental appropriation bill, this proposal was eventually passed as part of the catch-all conference committee report (H.F. 5247). H.F. 5247 was signed by Gov. Walz on May 24, 2024.

Updates to Paid Sick and Safe Leave Law

S.F. 3787 (Pappas) / H.F. 3882 (Olson)

Presented as a "technical" bill, this proposal sought to clarify and flesh out a number of provisions of the 2023 legislation that created a statewide mandate for employers to provide earned sick and safe time (ESST).

The more notable changes in the legislation included:

- Clarifies the Department of Labor and Industry's (DOLI) authority to enforce the ESST law through agency
 compliance orders and establishes that an employer is liable to each employee who does not receive or is not
 allowed to use ESST as required under the law;
- Modifies the definition of eligible use of ESST time to include arranging or attending a funeral of a family member or addressing a legal or financial matter related to the death of a family member;
- Clarifies that accrued ESST is reinstated if an employee is rehired within 180 days of separation and provides that an employee can only receive reinstatement of ESST accruals that have not been used or otherwise disbursed to the employee's benefit;
- Authorizes DOLI to engage in administrative rulemaking for the purposes of carrying out the ESST provisions; and
- Allows municipalities to suspend ESST for emergency service workers during a public emergency.

Originally included in the omnibus transportation, housing and labor supplemental appropriation bill, this proposal was eventually passed as part of the catch-all conference committee report (H.F. 5247). H.F. 5247 was signed by Gov. Walz on May 24, 2024.

Cannabis Finance and Policy

H.F. 4757 (Stephenson) / S.F. 4782 (Port)

Heading into the 2024 legislative session, Sen. Lindsay Port (DFL-Burnsville) and Rep. Zach Stephenson (DFL-Coon Rapids) both commented on the need for a "technical bill" to refine and clean up the state's new cannabis regulatory statute. In the end, that proposal ended up consisting of more than 180 pages of statutory modifications, including a number of significant changes to how businesses will be licensed. Many of the provisions were brought forward by the newly formed Office of Cannabis Management (OCM) and seek to outline and clarify the cannabis licensing system in advance of the 2025 rollout. One significant provision in the bill seeks to speed up the establishment of a legitimate marketplace for cannabis by changing how licenses are distributed from a strictly points-based system to a "vetted lottery." Social equity applicants would get a head start in the licensing process and may be allowed to plant seeds this fall in hopes of having some cannabis in stores next spring.

Other notable provisions in the bill include:

- Changes to how social equity license applicants are treated to help them get a head start, including pre-approval opportunities this fall;
- The ability for medical cannabis patients to assign a caregiver to home-grow plants on the patient's behalf if they are unable:

- A method to give some social equity applicants permission to start growing cannabis sooner than current law, this fall instead of next spring, in order to have cannabis products ready for sale by spring of 2025;
- Rules to prevent so-called financial predators from using social-equity applicants as fronts to gain access to the market;
- Caps on the numbers of licenses that will be granted in the first rollout of the industry next spring;
- The transfer of the Office of Medical Cannabis to the new Office of Cannabis Management in July rather than next March. That provides OCM already adopted cultivation rules and brings in inspection and enforcement personnel already in the field; and,
- The elimination of current law that would tell bars and restaurants they can't serve a THC beverage and an alcoholic beverage to the same person within five hours.

On May 18, 2024, the House of Representatives adopted the final conference committee report, and the bill was repassed 68-60. On May 19, 2024, the Senate passed the bill 34-33 and Gov. Walz signed the bill into law on May 24, 2024.

Omnibus Landlord and Tenant Policy

S.F. 3492 (Mohamed) / H.F. 3591 (Agbaje)

Having spent much of the 2023 legislative session focusing on access to affordable housing, legislators invested significant time this session discussing new statutory protections for residential tenants. That work resulted in a multifaceted reform proposal that looked at the state's existing landlord/tenant laws (Chapter 504B) and sought to strengthen renters' rights. The legislation evolved throughout the committee process before a final deal was reached, but in the end, the proposal:

- Declares that when a tenant abandons their dwelling, their lease is terminated when a new tenant begins a new lease
 for the dwelling unit, and defines the amount of rent the original tenant can owe if their lease was at-will or periodic;
 and
- Allows tenants to ask the court to erase their eviction notice from official records if the tenant has been evicted for fearing imminent violence after experiencing domestic abuse, sexual extortion, rape, harassment, or stalking;
- Requires landlords to only charge an additional fee for a pet when that policy is stated in the housing lease; accept
 a taxpayer identification number as a form of identification on a rental application, thereby allowing undocumented
 workers to apply for housing; and mitigate delays in new housing construction by providing the tenant alternate and
 equivalent housing, paying the tenant's rent at an alternate location the tenant secured until the construction is
 complete, or allowing the tenant to break the lease; and,
- Allows tenants to create associations and organize without the possibility of landlord retaliation.

S.F. 3492 also prohibits landlords from:

- Barring a tenant's right to call for police or emergency assistance in response to a mental health or heath crises;
- Evicting a tenant who has terminated their lease:
- Denying a rental application based on a pending eviction action; and,
- Collecting rent or a security deposit from a tenant after the premises have been ordered to be vacated due to housing, health, or fire codes violations.

The Senate adopted the conference committee report and repassed the bill on May 17, 2024 by a vote of 35-31. The House of Representatives followed suit on May 18, 2024, passing the bill 69-60. S.F. 3492 was signed by Gov. Walz on May 24, 2024.

Omnibus Labor & Industry Policy Bill

S.F. 3852 (McEwen) / H.F. 3947 (Nelson)

The omnibus labor and industry policy bill compiled more than a dozen individual pieces of legislation that sought to address various employment-related issues. The final legislation included the following proposals:

- H.F. 4937, Construction Codes Licensing;
- H.F. 4286, Labor Standards Policy and Technical Modifications;
- H.F. 4050, Minimum Wage Modifications;
- H.F. 4787, Credit Card Changes for Gratuity;
- H.F. 3587, Salary Range in Job Postings;
- H.F. 3442, Captive Audience Posters;
- H.F. 3516. Oral Fluid Preemployment Testing:

- H.F. 3456, Restrictive Covenants in Certain Service Contracts;
- H.F. 3957, Department of Labor and Industry (DLI) OSHA Policy;
- H.F. 4011, Surgical Smoke Evacuation System Policies;
- H.F. 4390, Well Contractor Licensure; and,
- H.F. 3947, DLI Construction Codes and Licensing Policy and Technical.

On May 13, 2024, the Senate passed S.F. 3852 by a vote of 34-33 and the House of Representatives followed suit on May 15, 2024, passing the bill by a vote of 68-59. Gov. Walz signed the bill into law on May 17, 2024.

Omnibus Commerce and Consumer Policy

S.F. 4097 (Klein) / H.F. 4077 (Stephenson)

The omnibus commerce policy bill was assembled over a number of months before a six-member conference committee reached a series of compromises in early May. In the end, the final legislation included a series of policy changes, including:

- Prohibiting a health plan that covers physical or mental health services from excluding coverage for genderaffirming care;
- Allowing a religious organization to not cover some or all benefits for contraceptives or gender-affirming care if the organization has religious objections;
- Establishing "net neutrality" rules, such as prohibiting internet service providers from impairing or degrading traffic based on content;
- Specifying strict conditions on who can possess a used catalytic converter;
- Enhancing the rights of students taking out student loans;
- Prohibiting the sale and possession of a phone case that reasonably appears to be a firearm;
- Tightening regulations governing the bail bonds industry, including prohibiting soliciting bail bonds on the grounds of a prison or jail;
- Strengthening the disclosure rules for sellers of subscription services and how consumers can unsubscribe from those services:
- Limiting the sale of aerosol "dusters' containing difluoroethane;
- Strengthening restrictions on forced debt, such as making a violator civilly liable for the amount of an unlawful loan;
- Requiring financial institutions to develop, implement, and maintain information security programs to protect customer data; and
- Providing consumer protections for users of cryptocurrency or virtual currency ATMs.

The final conference committee report was adopted, and the bill repassed by the Senate 34-32 and the House of Representatives 70-58 on May 17, 2024. Gov. Walz signed the bill into law on May 18, 2024.

Firearms Regulatory Bill

H.F. 2609 (Berg) / S.F. 5153 (Gustafson)

Despite a number of gun control proposals being brought forward this session that did not advance, there was one notable bill that progress. While highly negotiated, in the end, the proposal:

- Requires a report from the Commissioner of Public Safety to the legislature regarding actions taken by the Bureau of Criminal Apprehension and Violent Crime Enforcement Teams who are receiving funding;
- Amend the definition of "trigger activator" to specify that a trigger activator includes a device that allows a semiautomatic firearm to shoot more than one shot with a single pull and release of the trigger; and,
- Increase the penalty for straw purchasing a firearm to a felony and up to two years in prison.

This proposal was eventually passed as part of the catch-all conference committee report (H.F. 5247). H.F. 5247 was signed by Gov. Walz on May 24, 2024.

Mandatory Fee Disclosure

H.F. 3438 (Greenman) / S.F. 3537 (Port)

This bill makes the failure to disclose mandatory fees in advertising a deceptive trade practice. Fees included are fees that must be paid in order to purchase goods or services being advertise, fees that are not reasonably avoidable by the consumer, and fees that are reasonably included in the purchase of goods or services being advertised. The bill passed the House of Representatives on May 13, 2024, the Senate on May 17, 2024, and was signed into law on May 17, 2024.

IMPORTANT DATES TO REMEMBER

Primary Election

General Election

2025 Legislative Session Begins

August 13, 2024 November 5, 2024 January 14, 2025

PRIORITY BILLS

HF 0464 | Time limit modified for bringing health care provider actions. | Mohamud Noor | SF 0638 | Judiciary Finance and Civil Law (H) | N/A | Jan 17, 2023 - Introduction and first reading, referred to Judiciary Finance and Civil Law

HF 1121 | Right established for the legislature to intervene in actions where validity of statute is challenged. | Tim O'Driscoll | SF 0212 | State and Local Government Finance and Policy (H) | | N/A | Feb 01, 2023 - Introduction and first reading, referred to State and Local Government Finance and Policy

HF 1136 | Civil statute of limitations extended for actions by peace officers. | Samakab Hussein | | Judiciary Finance and Civil Law (H) | N/A | Feb 01, 2023 - Introduction and first reading, referred to Judiciary Finance and Civil Law

HF 1899 | Civil actions; immunity from COVID-19 liability established. | Walter Hudson | SF 0936 | Judiciary Finance and Civil Law (H) | N/A | Feb 16, 2023 - Introduction and first reading, referred to Judiciary Finance and Civil Law

HF 2101 | Statute of limitations amended for actions under the Minnesota Human Rights Act. | Peter Fischer | | Judiciary Finance and Civil Law (H) | | N/A | Feb 21, 2023 - Introduction and first reading, referred to Judiciary Finance and Civil Law

HF 2189 | Jurisdictional limit for conciliation court claims modified by increasing monetary value of claims to \$20,000. | Harry Niska | SF 1760 | Judiciary Finance and Civil Law (H) | | N/A | Feb 27, 2023 - Introduction and first reading, referred to Judiciary Finance and Civil Law

HF 2603 | Household exclusions prohibited in policies of automotive insurance. | John Huot | SF 2658 | Commerce Finance & Policy (H) | N/A | Mar 06, 2023 - Introduction and first reading, referred to Commerce Finance and Policy

HF 3489 | School Resource Officers; public safety provided, grounds for use of reasonable force in schools modified, school resource officer duties defined and minimum training requirements established, school resource officer model policy development required, and money appropriated. | Cedrick R. Frazier | SF 3534 | | Finance (S) | N/A | Mar 14, 2024 - Secretary of State Chapter 78

HF 3506 | Civil law; collateral source calculations and contributory fault modified. | Zack Stephenson | SF 3573 | Judiciary Finance and Civil Law (H) | N/A | Feb 29, 2024 - Author added Curran

HF 3892 | School Resource Officers; grounds for reasonable force in schools modified, duties and minimum training requirements defined and established, and money appropriated. | Jeff Witte | SF 3929 | Education Policy (H) | | N/A | Feb 19, 2024 - Author added Mekeland

HF 4191 | Amount of attorney fees awarded in certain actions limited. | Harry Niska | SF 4515 | Judiciary Finance and Civil Law (H) | N/A | Feb 22, 2024 - Introduction and first reading, referred to Judiciary Finance and Civil Law

HF 4407 | Consumers in Crisis Protection Act enacted, civil penalties provided, and administrative rulemaking authorized. | Erin Koegel | SF 4967 | Commerce Finance & Policy (H) | | N/A | Feb 28, 2024 - Introduction and first reading, referred to Commerce Finance and Policy

HF 4895 | Processes for determining reasonable accommodations for public accommodation and public services modified, criteria for determining undue hardship for public accommodation and public services modified, disparate

impact discrimination claims for public accommodation and public services provided, and terms updated. | Bianca Virnig | SF 4781 | Judiciary Finance and Civil Law (H) | | N/A | Mar 13, 2024 - Introduction and first reading, referred to Judiciary Finance and Civil Law

MONITOR BILLS

HF 0034 | Local government license data classified. | Sydney Jordan | SF 1657 | | | N/A | Jan 23, 2023 - Second reading

HF 0132 | Criminal history background check consideration of arrest and investigative record authorized. | Duane Quam | Public Safety Finance and Policy (H) | N/A | Jan 09, 2023 - Introduction and first reading, referred to Public Safety Finance and Policy

HF 0138 | Fees prohibited for viewing and downloading district court documents made available online. | Kristin Robbins | SF 0284 | Judiciary Finance and Civil Law (H) | N/A | Jan 17, 2023 - Author added Scott

HF 0286 | Civil legal services funding provided, and money appropriated. | Jamie Becker-Finn | SF 0357 | Ways and Means (H) | | N/A | Feb 09, 2023 - Committee report, to adopt as amended and re-refer to Ways and Means

HF 0295 | Covenants not to compete provided to be void and unenforceable, and protection of substantive provisions of Minnesota law provided to apply to matters arising in Minnesota. | Steve Elkins | SF 0405 | Judiciary Finance and Civil Law (H) | N/A | Mar 13, 2023 - Committee report, to adopt as amended and re-refer to Judiciary Finance and Civil Law

HF 0305 | Fee for uncertified copies of instruments from civil or criminal proceedings eliminated. | Jamie Becker-Finn | SF 0354 | Ways and Means (H) | N/A | Feb 21, 2023 - Author added Scott

HF 0770 | Life insurance governing provisions modified. | Brad Tabke | SF 1871 | | | N/A | Mar 06, 2023 - Second reading

HF 0773 | Regulation of concentration and conversion of cannabinoids derived from hemp provided, regulation of cannabinoid transportation and testing provided, licensing of manufacturers and distributors provided, cannabis product regulations provided, enforcement of regulations provided, licensing guidelines established, gross receipts tax established, criminal penalties established, exclusive liquor stores authorized to sell products, and money appropriated. | | SF 0781 | Health Finance & Policy (H) | N/A | Jan 30, 2023 - Authors added Curran; Tabke

HF 0776 | Employment mandates on private employers uniformity provided. | Shane Mekeland | SF 0513 | Labor and Industry Finance and Policy (H) | | N/A | Jan 25, 2023 - Introduction and first reading, referred to Labor and Industry Finance and Policy

HF 0846 | Geolocation and smartphone monitoring of another prohibited in circumstances, cause of action provided to individuals when geolocation information and other smartphone data has been recorded or shared. | Kristin Robbins | SF 0943 | Commerce Finance & Policy (H) | | N/A | Jan 25, 2023 - Introduction and first reading, referred to Commerce Finance and Policy

HF 2720 | Employers prohibited from requiring or incentivizing public display of medical information, and civil and criminal penalties imposed. | Peggy Bennett | SF 0937 | Labor and Industry Finance and Policy (H) | | N/A | Mar 08, 2023 - Introduction and first reading, referred to Labor and Industry Finance and Policy

HF 3309 | Uniform Public Expression Protection Act proposed for adoption by the National Conference of Commissioners on Uniform State Laws enacted. | Cedrick R. Frazier | SF 3317 | | Rules and Administration (S) | N/A | Mar 14, 2024 - Second reading

HF 3509 | Domestic abuse advocates prohibited from disclosing information. | Kelly Moller | SF 3441 | | | N/A | Apr 04, 2024 - Author added Virnig

HF 3589 | In rem jurisdiction clarified for judicial proceedings. | Esther Agbaje | SF 3579 | | Rules and Administration (S) | N/A | Apr 17, 2024 - Secretary of State Chapter 87

HF 3640 | Discrimination based on source of income prohibited. | Kaohly Her | SF 3780 | | N/A | Mar 20, 2024 -

HF 3896 | Insurance coverage requirements increased for motor carriers of railroad employees, and civil penalties created. | Jeff Brand | SF 4162 | Commerce Finance & Policy (H) | | N/A | Apr 04, 2024 - Motion to recall and re-refer, motion prevailed Commerce Finance and Policy

HF 3925 | Property insurance provided for grantee beneficiaries of transfer on death deeds; and technical, clarifying, and conforming changes to transfer on death deeds made. | Sandra Feist | SF 3846 | | Rules and Administration (S) | N/A | Apr 26, 2024 - Secretary of State Chapter 91

HF 3926 | Minnesota Human Rights Act changes made. | Harry Niska | SF 3848 | | | N/A | Apr 29, 2024 - Second reading pursuant to House rule 4.31

HF 3950 | City attorneys authorized to take actions including filing delinquency petitions for offenses committed by a juvenile, prosecuting felony offenses and gross misdemeanor offenses, and issuing administrative subpoenas in certain cases; and conforming changes made. | Kristin Robbins | SF 4273 | Public Safety Finance and Policy (H) | N/A | Mar 04, 2024 - Author added Zeleznikar

HF 4021 | Minnesota Human Rights Act provision changes made, and civil penalty and punitive damages provided. | Luke Frederick | SF 4292 | | | N/A | Mar 07, 2024 - Second reading

HF 4120 | Open Meeting Law modified. | Erin Koegel | SF 4297 | State and Local Government Finance and Policy (H) | N/A | Apr 04, 2024 - Author added Hussein

HF 4136 | Sanctions for noncompliance strengthened with the open meeting law, civil action provided, and civil penalties provided. | Nathan Coulter | SF 4132 | State and Local Government Finance and Policy (H) | | N/A | Feb 22, 2024 - Introduction and first reading, referred to State and Local Government Finance and Policy

HF 4152 | Interlocutory appeal on the question of class certification provided. | Harry Niska | SF 4516 | Judiciary Finance and Civil Law (H) | | N/A | Feb 22, 2024 - Introduction and first reading, referred to Judiciary Finance and Civil Law

HF 4154 | Limitation period reduced for bringing various legal actions. | Harry Niska | SF 4514 | Judiciary Finance and Civil Law (H) | N/A | Feb 22, 2024 - Introduction and first reading, referred to Judiciary Finance and Civil Law

HF 4178 | Recovery from a municipality for damages related to sewage backup permitted, and private right of action created. | Kristin Robbins | SF 4126 | State and Local Government Finance and Policy (H) | | N/A | Feb 22, 2024 - Introduction and first reading, referred to State and Local Government Finance and Policy

HF 4207 | 911 mental health services modified, and civil liability provided. | Jessica Hanson | SF 5043 | Public Safety Finance and Policy (H) | N/A | Feb 22, 2024 - Introduction and first reading, referred to Public Safety Finance and Policy

HF 4288 | Notice of an estray required, and civil liabilities specified. | Andrew Myers | SF 3703 | Agriculture Finance and Policy (H) | N/A | Apr 02, 2024 - Author added Lislegard

HF 4326 | Personal information of justices, judges, and judicial staff designated as private data on individuals; dissemination of personal information restricted; and penalty provided. | Brion Curran | SF 4200 | | | N/A | Apr 02, 2024 - Author stricken Zeleznikar

HF 4444 | Misclassification of employees prohibited, penalties imposed, and data classified. | Emma Greenman | SF 4483 | | | N/A | Apr 29, 2024 - Laid on table

HF 4457 | Civil legal service and volunteer attorney clients allowed to proceed without prepayment of fees, costs, and security for costs. | Sandra Feist | SF 4544 | | Rules and Administration (S) | N/A | Apr 04, 2024 - Second reading

HF 4466 | Right to counsel in evictions clarified. | Alicia Kozlowski | SF 4465 | Housing Finance and Policy (H) | | N/A | Feb 29, 2024 - Introduction and first reading, referred to Housing Finance and Policy

HF 4591 | Protective agent license made necessary for private companies to transport prisoners, license revocation required for acts committed by a licensee or employee of a licensee, and minimum administrative penalty required for violations. | Brad Tabke | SF 4994 | | | N/A | Apr 04, 2024 - Author added Virnig

HF 4647 | Data practices provisions modified to modernize and update data storage practices. | Sandra Feist | SF 4949 | Judiciary Finance and Civil Law (H) | | N/A | Mar 07, 2024 - Introduction and first reading, referred to Judiciary Finance and Civil Law

HF 4661 | Technical and policy changes made to workers' compensation hearing provisions, and Workers' Compensation Court of Appeals related provisions modified. | Dan Wolgamott | SF 4745 | | Rules and Administration (S) | N/A | May 08, 2024 - Secretary of State Chapter 97

HF 4686 | Process to resolve a dispute through a mediator or department complaint process modified. | Kim Hicks | SF 4532 | Education Policy (H) | N/A | Mar 07, 2024 - Introduction and first reading, referred to Education Policy

HF 4758 | Medical record fee charging existing prohibition clarified. | Liz Reyer | SF 4833 | Health Finance & Policy (H) | N/A | Mar 07, 2024 - Introduction and first reading, referred to Health Finance and Policy

HF 4854 | Administrative Procedure Act and Office of Administrative Hearings technical and policy provisions modified. | Ginny Klevorn | SF 4891 | State and Local Government Finance and Policy (H) | | N/A | Mar 21, 2024 - Committee report, to adopt as amended and re-refer to State and Local Government Finance and Policy

HF 4907 | Licensing and registration of limited lines travel insurance producers and travel retailers provided, travel insurance sale and regulation provided. | Ron Kresha | | Commerce Finance & Policy (H) | | N/A | Mar 13, 2024 - Introduction and first reading, referred to Commerce Finance and Policy

HF 4921 | Professional liability insurance for peace officers required, and liability of peace officers established. | Cedrick R. Frazier | | Public Safety Finance and Policy (H) | | N/A | Mar 13, 2024 - Introduction and first reading, referred to Public Safety Finance and Policy

HF 4923 | Standards of basic medical care for confined or incarcerated persons established, information release forms provided, portable recording system for correctional facility and jail staff and correctional officers required, and money appropriated. | Cedrick R. Frazier | SF 5130 | Public Safety Finance and Policy (H) | | N/A | Mar 13, 2024 - Introduction and first reading, referred to Public Safety Finance and Policy

HF 4937 | Minnesota Civil Liberties Act provided, and peace officer immunity prohibited. | Hodan Hassan | | Public Safety Finance and Policy (H) | | N/A | Apr 04, 2024 - Author stricken Joy

HF 4983 | Maximum charges for medical record request costs modified, and per page and retrieval charges for medical record request costs revised. | Zack Stephenson | SF 4834 | Commerce Finance & Policy (H) | | N/A | Mar 18, 2024 - Introduction and first reading, referred to Commerce Finance and Policy

HF 5314 | Liability and uninsured/underinsured motorist coverage amounts raised, and motorcycle insurance required to include uninsured/underinsured coverage. | Cedrick R. Frazier | SF 5348 | Commerce Finance & Policy (H) | | N/A | Apr 08, 2024 - Introduction and first reading, referred to Commerce Finance and Policy

HF 5338 | Contractor recovery fund modified to include private residential pools. | Jim Nash | SF 5420 | Labor and Industry Finance and Policy (H) | | N/A | Apr 09, 2024 - Introduction and first reading, referred to Labor and Industry Finance and Policy

Larkin Hoffman

www.larkinhoffman.com