

**2014 MISCELLANEOUS
LEGISLATIVE BULLETIN
(2014 Regular Session)**

MINNESOTA • REVENUE

Appeals and Legal Services Division
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Unless otherwise noted, the provisions discussed in this bulletin can be found in 2014 Minn. Laws, Chapter 150.

DATA PRACTICES

Duties of responsible authority to protect data. Amended Minn. Stat. § 13.05, subd. 5, to require the responsible authority of a government entity to establish procedures for ensuring that not public data are accessible only to persons whose work assignments reasonably require access, and that it is only accessed for those purposes. The legislation also requires the responsible authority to develop a policy incorporating these procedures, which may include a model policy governing access if data is shared with other government entities. Effective August 1, 2014. 2014 Minn. Laws, Chapter 284, Section 1.

Disclosure of breach in security and requirement of investigative report. Amended Minn. Stat. § 13.055, subds. 1-6, and adds Minn. Stat. § 13.055, subd. 7, by expanding an existing section of law requiring data subjects to be notified of a breach in the security of data to include all government entities. This legislation also clarifies the definition of “breach in the security of data” and requires that a report to be published upon completion of an investigation into a breach once all rights of appeal have been exhausted. The report must include a description of the data accessed or acquired; the number of individuals whose data was improperly accessed or acquired; if there has been a final disposition of disciplinary action, as defined in Minn. Stat. § 13.43, then the names of the employees determined to be responsible for the unauthorized access or acquisition; and the final disposition of disciplinary action. Clarified that the language in Minn. Stat. §§ 13.05 and 13.055 does not restrict the legislative auditor or state auditor in performing official duties. Effective August 1, 2014, and applies to security breaches occurring on or after that date. 2014 Minn. Laws, Chapter 284, Section 2.

Penalties for unlawful access to not public data. Amended Minn. Stat. § 13.09, and provides that conduct which constitutes a knowing unauthorized acquisition of not public data, as defined in Minn. Stat. § 13.055, subd. 1, is a misdemeanor, and provides that willful violations are subject to criminal penalties and are just cause for suspension without pay or dismissal of the offending employee. Effective August 1, 2014, and applies to crimes committed on or after that date. 2014 Minn. Laws, Chapter 284, Section 3.

Checking account number data. Amended Minn. Stat. § 13.37, subd. 1, and classifies checking account numbers as “security information” for purposes of the data practices act. Effective May 10, 2014. 2014 Minn. Laws, Chapter 208, Section 1.

Open meeting law. Minn. Stat. § 13D.04, subd. 6, was amended to allow agencies, departments, commissions or boards that transact public business in meetings to satisfy provisions of the Open Meeting Law relating to publication by posting notices on their website. Prior law required that notices had to be published in the State Register. There is a new requirement to keep a schedule of

regular meetings either on file at the organization's primary office or posted on its website. A new section 13D.065 was added to allow the use of social media so long as the communication by social media is with all members of the public. Email is specifically excluded as a type of social media. Effective August 1, 2014. Minn. Laws 2014, Chapter 274.

Disclosure of gift tax information. Amended Minn. Stat. § 270B.01, subd. 8, to remove reference to Minnesota Statutes, chapter 292, which was repealed in 2014 Minn. Laws, Chapter 150, Section 8. Effective May 21, 2014. 2014 Minn. Laws, Chapter 308, Article 4, Section 7.

Inspection of returns and return information. Amended Minn. Stat. § 270B.03, subd. 1, to remove subpart 9 which authorizes disclosure of a gift returns to a donor because the gift tax was repealed in 2014 Minn. Laws, Chapter 150, Section 8. Effective May 21, 2014. 2014 Minn. Laws, Chapter 308, Article 4, Section 8.

Disclosure to commissioner of human services. Amended Minn. Stat. § 270B.14, subd. 1, to remove reference to Minn. Stat. § 237.711, which was repealed by 2014 Minn. Laws, Chapter 222, Article 1, Section 58, and to clarify that the commissioner of revenue is authorized to electronically match the Social Security numbers and names of participants in the telephone assistance plan operated under sections 237.69 to 237.71. Effective August 1, 2014. 2014 Minn. Laws, Chapter 222, Article, 1, Section 54.

Disclosure for purposes other than tax administration. Amended Minn. Stat. § 270B.14 to remove subdivision 14 which was repealed as obsolete. Effective August 1, 2014. 2014 Minn. Laws, Chapter 275, Article 1, Section 139.

Legislative commission on data practices. Legislation created a Legislative Commission on Data Practices and Personal Data Privacy to study issues relating to government data practices and individuals' personal data privacy rights, and to review legislation on these issues. The commission consists of four Senators and four House members, with no more than two from the majority caucus in each chamber and may include up to four former legislators who would have nonvoting status on the committee. Members would serve two-year terms. Effective May 2, 2014. 2014 Minn. Laws, Chapter 193, Section 1.

MISCELLANEOUS

Appropriation. Minn. Stat. § 116V.03 was amended to eliminate an appropriation to the commissioner of revenue for transfer to the agricultural project utilization account for the Agricultural Utilization Research Institute. The appropriation will now be made directly to the Institute. Effective July 1, 2014.

Procedure to request abatement. Minn. Stat. §270C.34, subd. 2, was amended to clarify that the same procedure that is used for abatement of penalty is also used for abatement of interest and additional tax charge. Effective May 21, 2014.

Limitations period for assessment. Minn. Stat. § 270C.56, subd. 3, was amended to also allow the commissioner to make a personal liability assessment within one year of a final administrative or judicial determination of the underlying business tax. Effective May 21, 2014.

Tax clearance notification. Minn. Stat. §270C.72, subd. 1 and subd. 3 were amended to require licensing authorities, instead of the commissioner of revenue, to notify license holders that their license may not be issued, transferred, or renewed, and must be revoked for failure to pay state tax of

\$500 or more or for failure to file tax returns. The notice must be provided by the licensing authority within ten days of receiving notice from the commissioner, and must include a copy of the commissioner's notice and information on the licensee's option for receiving tax clearance. The licensing authority must revoke the license 30 days after receiving the notice from the commissioner unless it receives a tax clearance certificate. Effective July 1, 2014.

Administrative Appropriations. The commissioner of revenue was appropriated \$700,000 in fiscal year 2014 and \$1,800,000 in fiscal year 2015 to administer the provisions of 2014 Minn. Laws Chapter 308. The funding base for the appropriation in fiscal year 2016 is \$1,180,000 and available to be spent until June 30, 2017. The funding base for fiscal year 2017 is \$0. Effective May 21, 2014.