

STATE OF MINNESOTA

THIRD SPECIAL SESSION - 1981

FOURTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, DECEMBER 10, 1981.

The House of Representatives convened at 2:00 p.m. and was called to order by Harry A. Sieben, Jr., Speaker of the House.

Prayer was offered by Dr. Charles S. Anderson, President of Augsburg College, Clergyman of American Lutheran Church, Minneapolis, Minnesota.

The roll was called and the following members were present:

Aasness	Erickson	Jude	Niehaus	Schreiber
Ainley	Esau	Kahn	Novak	Sherman
Anderson, B.	Evans	Kaley	Nysether	Sherwood
Anderson, G.	Ewald	Kalis	O'Connor	Sieben, M.
Anderson, I.	Fjoslien	Kelly	Ogren	Simoneau
Battaglia	Forsythe	Knickerbocker	Olsen	Skoglund
Begich	Frerichs	Kostohryz	Onnen	Stadum
Berkelman	Greenfield	Kvam	Osthoff	Staten
Blatz	Gruenes	Laidig	Otis	Stowell
Brandl	Gustafson	Lehto	Peterson, B.	Stumpf
Brinkman	Halberg	Lemen	Peterson, D.	Sviggum
Byrne	Hanson	Levi	Piepho	Swanson
Carlson, D.	Harens	Long	Pogemiller	Tomlinson
Carlson, L.	Hauge	Ludeman	Redalen	Valan
Clark, J.	Haukoos	Luknic	Reding	Valento
Clark, K.	Heap	Marsh	Rees	Vanasek
Clawson	Heinitz	McCarron	Reif	Vellenga
Dahlvang	Himle	McDonald	Rodriguez, C.	Weaver
Dean	Hoberg	McEachern	Rodriguez, F.	Welch
Dempsey	Hokanson	Mehrkens	Rose	Welker
Den Ouden	Hokr	Metzen	Rothenberg	Wenzel
Drew	Jacobs	Minne	Samuelson	Wynia
Eken	Jennings	Munger	Sarna	Zubay
Elioff	Johnson, C.	Murphy	Schafer	Spkr. Sieben, H.
Ellingson	Johnson, D.	Nelsen, B.	Schoenfeld	

A quorum was present.

Anderson, R.; Mann; Nelson, K.; Norton; Rice; Searles; Shea; Voss; Wieser and Wigley were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Vanasek moved that further reading of the Journal

be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF STANDING COMMITTEES

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 4, A bill for an act relating to public welfare; altering certain provisions of the program of aid to families with dependent children; redefining the term "dependent child"; expanding the definition of persons ineligible; eliminating eligibility of the unborn; requiring rules to define "special needs" for eligible pregnant women; requiring recoupment of overpayments; requiring registration of certain dependent recipients for employment services, training, and employment; restricting the earned income disregard to four months; restricting work expense disregards; providing for voluntary third party payments; eliminating eligibility for recipients participating in a strike; eliminating a prepaid funeral contract and reverse mortgage loan guarantees as disregarded resources; modifying the service fee for child support collection services; modifying the resource limits for recipients of aid to families with dependent children; amending Minnesota Statutes 1980, Sections 256.12, Subdivision 14; 256.73, Subdivisions 3a, 5, 6, and by adding a subdivision; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1; 256.81; 256.871, Subdivision 2; 256.935, Subdivision 2; 256.99; Minnesota Statutes 1981 Supplement, Sections 256.73, Subdivision 2; and 518.551, Subdivision 7; and proposing new law coded in Minnesota Statutes, Chapter 256.

Reported the same back with the following amendments:

Page 3, line 8, strike "a reasonable market" and insert "*an equity*"

Page 3, line 9, strike "\$400" and insert "\$1,000"

Page 3, line 9, strike "a one child recipient or \$600 for more than"

Page 3, line 10, strike "one child recipient" and insert "*the entire assistance unit*"

Page 4, line 16, insert: "; or

(e) any family assistance unit if its eligibility is based on a parent's unemployment and the parent who is the principal wage earner, without good cause, fails or refuses to participate in the work incentive program if required under section 256.736;

or to accept employment; or to be currently registered with the public employment office"

Page 5, line 29, delete "from" and insert "by"

Page 5, line 32, delete "90" and insert "95"

Page 5, line 35, delete "95" and insert "99"

Page 9, delete line 17, and insert "*The agency shall compute the amount of monthly assistance payments using a second prior month retrospective budgeting system.*"

Page 9, line 18, delete "*month retrospective system of budgeting.*"

Page 11, after line 20, insert:

"Sec. 10. Minnesota Statutes 1980, Section 256.74, is amended by adding a subdivision to read:

Subd. 1a. [STEPARENT'S INCOME.] In making the determination of income available to the assistance unit, as required by subdivision 1, the county agency shall take into account the remaining income of the dependent child's stepparent who lives in the same household after disregarding:

(1) The first \$75 of the stepparent's gross earned income. The commissioner shall prescribe by rule lesser amounts to be disregarded for stepparents who are not engaged in full-time employment or not employed throughout the month;

(2) An amount for support of the stepparent and any other individuals whom the stepparent claims as dependents for tax purposes and who live in the same household but whose needs are not considered in determining eligibility for assistance under sections 256.72 to 256.87. The amount equals the standard of need for a family of the same composition as the stepparent and these other individuals;

(3) Amounts the stepparent actually paid to individuals not living in the same household but whom the stepparent claims as dependents for tax purposes; and

(4) Alimony or child support, or both, paid by the stepparent for individuals not living in the same household."

Page 12, delete lines 16 to 36

Page 13, delete lines 1 to 5

Page 13, after line 26, insert:

"Sec. 14. Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1, is amended to read:

Subdivision 1. Medical assistance may be paid for any person:

(1) Who is eligible for or receiving public assistance under the aid to families with dependent children program; or

(2) *Who is pregnant, and such pregnancy has been medically verified, and who would be eligible for assistance under the program of aid to families with dependent children, if the child had been born and were living with her; or*

(3) Who is eligible for or receiving supplemental security income for the aged, blind and disabled; or

((3)) (4) Who except for the amount of income or resources would qualify for supplemental security income for the aged, blind and disabled, or aid to families with dependent children and is in need of medical assistance; or

((4)) (5) Who is under 21 years of age and in need of medical care that neither he nor his relatives responsible under sections 256B.01 to 256B.26 are financially able to provide; or

((5)) (6) Who is residing in a hospital for treatment of mental disease or tuberculosis and is 65 years of age or older and without means sufficient to pay the per capita hospital charge; and

((6)) (7) Who resides in Minnesota, or, if absent from the state, is deemed to be a resident of Minnesota in accordance with the regulations of the state agency; and

((7)) (8) Who alone, or together with his spouse, does not own real property other than the homestead. For the purposes of this section, "homestead" means the house owned and occupied by the applicant as his dwelling place, together with the land upon which it is situated and an area no greater than two contiguous lots in a platted or laid out city or town or the smallest parcel allowed under applicable zoning regulations in unplatted land. Real estate not used as a home may not be retained unless it produces net income applicable to the family's needs or the family is making a continuing effort to sell it at a fair and reasonable price or unless sale of the real estate would net an insignificant amount of income applicable to the family's needs, or unless the commissioner determines that sale of the real estate would cause undue hardship; and

((8)) (9) Who individually does not own more than \$2,000 in cash or liquid assets, or if a member of a household with two family members (husband and wife, or parent and child), does not own more than \$4,000 in cash or liquid assets, plus \$200 for each additional legal dependent. When only one spouse resides, or will reside after applying for medical assistance, in a nursing home, or is receiving or will receive alternative care under the alternative care grants program in a county with pre-admission screening under section 256B.091, the cash or liquid asset amount for two family members is \$10,000. The value of the following shall not be included:

(a) the homestead, and (b) one motor vehicle licensed pursuant to chapter 168 and defined as: (1) passenger automobile, (2) station wagon, (3) motorcycle, (4) motorized bicycle or (5) truck of the weight found in categories A to E, of section 168.013, subdivision 1e; and

((9)) (10) Who has or anticipates receiving an annual income not in excess of \$2,600 for a single person, or \$3,250 for two family members (husband and wife, parent and child, or two siblings), plus \$625 for each additional legal dependent, or who has income in excess of these maxima and in the month of application, or during the three months prior to the month of application, incurs expenses for medical care that total more than one-half of the annual excess income in accordance with the regulations of the state agency. In computing income to determine eligibility of persons who are not residents of long term care facilities, the commissioner shall disregard increases in income of social security or supplementary security income recipients due solely to increases required by sections 215(i) and 1617 of the social security act, and shall disregard income of disabled persons that is also disregarded in determining eligibility for supplemental aid under section 256D.37, subdivision 1, unless prohibited by federal law or regulation. If prohibited, the commissioner shall first seek a waiver. In excess income cases, eligibility shall be limited to a period of six months beginning with the first of the month in which these medical obligations are first incurred; and

((10)) (11) Who has continuing monthly expenses for medical care that are more than the amount of his excess income, computed on a monthly basis, in which case eligibility may be established before the total income obligation referred to in the preceding paragraph is incurred, and medical assistance payments may be made to cover the monthly unmet medical need. In licensed nursing home and state hospital cases, income over and above that required for justified needs, determined pursuant to a schedule of contributions established by the commissioner of public welfare, is to be applied to the cost of institutional care. The commissioner of public welfare may establish a schedule of contributions to be made by the spouse of a

nursing home resident to the cost of care and shall seek a waiver from federal regulations which establish the amount required to be contributed by either spouse when one spouse is a nursing home resident; and

((11)) (12) Who has applied or agrees to apply all proceeds received or receivable by him or his spouse from automobile accident coverage and private health care coverage to the costs of medical care for himself, his spouse, and children. The state agency may require from any applicant or recipient of medical assistance the assignment of any rights accruing under private health care coverage. Any rights or amounts so assigned shall be applied against the cost of medical care paid for under this chapter. Any assignment shall not be effective as to benefits paid or provided under automobile accident coverage and private health care coverage prior to receipt of the assignment by the person or organization providing the benefits."

Page 14, line 14, delete "*which are*" and insert "*as*"

Page 14, after line 15, insert:

"Sec. 17. [REPEALER.]

Minnesota Statutes 1981 Supplement, Section 257.021, is repealed."

Page 14, line 17, delete everything after "*effective*" and insert "*beginning with the first month beginning after the close*"

Page 14, line 18, delete "*immediately following adjournment*"

Renumber the sections

Amend the title as follows:

Page 1, line 12, after the second semicolon insert "*specifying the amount of stepparent income to be considered available in determining need;*"

Page 1, line 19, after the semicolon insert "*extending medical assistance coverage to certain pregnant women;*"

Page 1, line 23, after "Subdivision 1" insert ", and by adding a subdivision"

Page 1, line 23, delete "256.871, Subdivision 2;"

Page 1, line 25, before "and" insert "256B.06, Subdivision 1;"

Page 1, line 26, delete "and"

Page 1, line 27, before the period insert, "; repealing Minnesota Statutes 1981 Supplement, Section 257.021"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Anderson, B., introduced:

H. F. No. 10, A bill for an act relating to waters; limiting the rulemaking authority of the commissioner of natural resources with respect to signs posted around water aeration systems; amending Minnesota Statutes 1981 Supplement, Section 378.22, Subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Lemen, Staten, Evans and Gustafson introduced:

H. F. No. 11, A bill for an act relating to economic development; creating a legislative commission for job development; appropriating money; amending Minnesota Statutes 1980, Section 290.06, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 290.06, Subdivision 1; and 297A.25, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 362.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Lehto introduced:

H. F. No. 12, A bill for an act relating to taxation; modifying the exemption of certain town levies; amending Minnesota Statutes 1981 Supplement, Section 275.515.

The bill was read for the first time and referred to the Committee on Taxes.

McEachern introduced:

H. F. No. 13, A bill for an act relating to education; altering the recognition of school district tax revenue; reducing state aids for education in fiscal year 1983 by the amount of the June, 1983 school district tax settlements; requiring payment of tax receipts to school districts within 28 days after settlement; reducing education aid appropriations for fiscal year 1983; amending Minnesota Statutes 1980, Sections 121.904, by adding a subdivision; 276.11; Minnesota Statutes 1981 Supplement, Section 124.2121, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapter 124; repealing Minnesota Statutes 1980, Section 121.904, Subdivision 4.

The bill was read for the first time and referred to the Committee on Education.

Anderson, I.; Sieben, H., and Eken introduced:

H. F. No. 14, A bill for an act relating to the financing and operation of state government; reducing the appropriations for local government aids; clarifying the application of the taxable net income adjustment factor to fiscal year taxpayers and its computation for 1981; limiting inflation adjustments of the income tax brackets, credits, and maximum standard deduction under certain circumstances; modifying the computation of the taxable net income adjustment factor; altering the method of taxing the income of certain oil companies by prohibiting their use of certain deductions and requiring the use of combined worldwide income; eliminating the use of the arithmetic average allocation formula for major oil companies; amending Minnesota Statutes 1980, Sections 290.01, by adding a subdivision; 290.06, by adding a subdivision; 290.18, by adding a subdivision; 290.19, Subdivision 1; Minnesota Statutes 1981 Supplement, Section 290.09, Subdivisions 1 and 7; 290.091; 290.18, Subdivision 4; 290.21, Subdivision 4; 477A.03, Subdivision 2; Laws 1981, First Special Session, Chapter 1, Article I, Section 5.

The bill was read for the first time and referred to the Committee on Taxes.

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, December 14, 1981. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, December 14, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives