

## STATE OF MINNESOTA

## SEVENTY-FOURTH SESSION - 1986

## SEVENTY-FIRST DAY

SAINT PAUL, MINNESOTA, MONDAY, FEBRUARY 17, 1986

The House of Representatives convened at 2:00 p.m. and was called to order by David M. Jennings, Speaker of the House.

Prayer was offered by Reverend Alden Keiski, United Methodist Church, Owatonna, Minnesota.

The roll was called and the following members were present:

Anderson, C.	Ellingson	Krueger	Otis	Shaver
Backlund	Erickson	Kvam	Ozment	Sherman
Battaglia	Fjoslien	Levi	Pappas	Simoneau
Beard	Forsythe	Lieder	Pauly	Skoglund
Becklin	Frederick	Long	Peterson	Solberg
Begich	Frederickson	Marsh	Piepho	Stanius
Bennett	Frerichs	McDonald	Piper	Swiggum
Bishop	Greenfield	McEachern	Poppenhagen	Thiede
Blatz	Gruenes	McKasy	Price	Thorson
Boerboom	Gutknecht	McLaughlin	Quinn	Tjornhom
Boo	Halberg	McPherson	Quist	Tomlinson
Brandl	Hartinger	Metzen	Redalen	Tompkins
Brinkman	Hartle	Miller	Rees	Tunheim
Brown	Haukoos	Minne	Rest	Valan
Burger	Heap	Munger	Rice	Valento
Carlson, D.	Himle	Murphy	Richter	Vanasek
Carlson, J.	Jacobs	Nelson, D.	Riveness	Vellenga
Carlson, L.	Jennings, L.	Nelson, K.	Rodosovich	Voss
Clark	Johnson	Neuenschwander	Rose	Waltman
Clausnitzer	Kahn	Norton	Sarna	Welle
Cohen	Kalis	Ogren	Schafer	Wenzel
Dempsey	Kelly	Olsen, S.	Scheid	Wynia
DenOuden	Kiffmeyer	Olson, E.	Schoenfeld	Zaffke
Dimler	Knickerbocker	Omann	Schreiber	Spk. Jennings, D.
Dyke	Knuth	Onnen	Seaberg	
Elioff	Kostohryz	Osthoff	Segal	

A quorum was present.

Anderson, R.; Jaros; O'Connor; Sparby and Staten were excused. Uphus was excused until 2:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Gutknecht 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 CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 1794, 1844, 1882 and 1930 and S. F. Nos. 1349 and 1574 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

Onnen from the Committee on Health and Human Services to which was referred:

H. F. No. 370, A bill for an act relating to health; requiring licensure of a home care agency; providing a home care bill of rights; providing a grievance procedure for a home care agency; amending Minnesota Statutes 1984, sections 144.12, subdivision 1; 144A.51, by adding a subdivision; 144A.52, subdivision 3; 144A.53, subdivisions 1, 2, 3, and 4; 144A.54, subdivision 1; 626.557, subdivision 2; and proposing coding for new law in Minnesota Statutes, chapter 144A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [143.01] [CITATION.]

*It is the intent of the legislature to promote the interests and protect the rights of individuals who receive home care services. The purpose of sections 1 to 7 is to promote the quality of care of services delivered in the home without unduly increasing costs, to promote access to economical home care services, and to prevent fraud and abuse. Sections 1 to 7 may be cited as the "home care services act."*

Sec. 2. [143.02] [DEFINITIONS.]

*Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 1 to 7.*

*Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of health.*

*Subd. 3. [HOME CARE SERVICES.] "Home care services" means services delivered in the home to benefit individuals or their families who require assistance in meeting physical or mental health-related needs.*

*Subd. 4. [HOME HEALTH AGENCY.] "Home health agency" means a public agency or private organization, or a subdivision of such an agency or organization, which is primarily engaged in providing skilled nursing services, and other therapeutic services and items on a visiting basis in a place of residence used as an individual's home. Such services and items may include:*

*(1) part-time or intermittent nursing care provided by or under the supervision of a registered professional nurse;*

*(2) physical, occupational, or speech therapy;*

*(3) medical social services under the direction of a physician;*

*(4) part-time or intermittent services of a home health aide; and*

*(5) medical supplies, other than drugs and biologicals, and the use of medical appliances.*

*Subd. 5. [PERSONAL CARE ATTENDANT.] "Personal care attendant" means a person authorized by the commissioner of human services to provide services under the medical assistance program under section 256B.02, subdivision 8, clause (17).*

### **Sec. 3. [143.03] [HOME CARE BILL OF RIGHTS.]**

*Subdivision 1. [STATEMENT OF RIGHTS.] A person who receives home care services has these rights:*

*(1) the right to receive written information about rights, including what to do if rights are violated;*

*(2) the right to receive care and services according to a suitable and up-to-date plan, and subject to accepted medical or nursing standards, to take an active part in creating and changing the plan and evaluating care and services;*

*(3) the right to be told about agency services that are being provided or suggested, about other choices that are available, and about the consequences of these choices including the consequences of refusing these services;*

*(4) the right to refuse services or treatment;*

*(5) the right to know, in advance, any limits to the services available from an agency, whether the services are covered by health insurance, medical assistance, or other health programs, and the agency's grounds for a termination of services;*

(6) *the right to know what the charges are for services, no matter who will be paying the bill;*

(7) *the right to know that there may be other services available in the community, including other home care services, agencies, and case management services, and to know where to go for information, including price information, about these services;*

(8) *the right to choose freely among available agencies and to change agencies after services have begun, within the limits of health insurance, medical assistance, or other health programs;*

(9) *the right to have personal, financial, and medical information kept private;*

(10) *the right to be served by people who are properly trained and competent to perform their duties;*

(11) *the right to be treated with courtesy and respect;*

(12) *the right to be free from physical and verbal abuse;*

(13) *the right to reasonable notice of changes in services or charges;*

(14) *the right to a coordinated transfer when there will be a change in the provider of services;*

(15) *the right to know how to contact the director of an agency who is responsible for handling problems and where to go for help outside the agency; and*

(16) *the right to assert these rights without retaliation.*

**Subd. 2. [ENFORCEMENT OF RIGHTS.]** *These rights are established for the benefit of persons who receive home care services. "Home care services" means home care services as defined in section 2, subdivision 3. A person who provides home care services may not require a person to surrender these rights as a condition of receiving services. A guardian or conservator or, when there is no guardian or conservator, a designated person, may seek to enforce these rights. This statement of rights does not replace or diminish other rights and liberties that may exist relative to persons receiving home care services, persons providing home care services, or agencies registered under this act.*

**Subd. 3. [DISTRIBUTION.]** *The commissioner shall provide counties and other interested organizations with sufficient copies for an adequate distribution of the home care bill of rights to the*

*public. All persons who provide home care services shall provide a copy of this bill of rights to their clients prior to providing any services.*

**Sec. 4. [143.04] [INFORMATION AND REFERRAL SERVICES.]**

*Subdivision 1. [COUNTY RESPONSIBILITY.] Information and referral relating to home care services are the responsibility of counties. The county board shall make available the following information:*

*(1) a summary of the range of prices for home care services in the county, and in contiguous counties if this is appropriate, and specific price information only as described in this section;*

*(2) availability of services, and eligibility for third-party payments applicable to individual providers. Home health agencies or personal care attendants who are not registered with the commissioner under section 7 shall not be included in the referral service;*

*(3) complaint information on home care services that has been verified under section 5; and*

*(4) other information the county board determines to be appropriate.*

*When a complaint investigation is in process, referral to the provider under investigation may be withheld if necessary to protect the health and safety of consumers.*

*Subd. 2. [DISTRIBUTION OF PRICE INFORMATION.] The commissioner of health shall establish standards for the collection and distribution of uniform price information which will allow consumers to make useful comparisons between home care services providers. Specific price information shall be distributed only with an accompanying caution to the consumers that details about services may vary among providers and prices should be compared carefully. Home health agencies must provide information requested for the purposes of this section, including price information, as a condition of registration.*

**Sec. 5. [143.05] [COMPLAINTS.]**

*Subdivision 1. [DESIGNATION OF A COMPLAINT PROCESS]. The county board of each county shall designate the process for receiving, investigating, and providing follow-up on complaints related to home care services and persons providing home care services according to the standards developed by the commissioner. The county board shall make this process known to the general public. The county board shall supervise imple-*

mentation of the complaint process. Complaints against county personnel shall be reported to the county board.

*Subd. 2. [REQUIREMENTS OF A COMPLAINT PROCESS.]* The complaint process designated by the county board must include the following:

(1) identification of a person or place to receive complaints which is separate from the publicly administered or contracted home health agency, if any;

(2) protocols for recordkeeping that include preparation of reports to the commissioner of all complaints received by the county and the resolution of each;

(3) a list of potential referral sources that includes the appropriate county agencies, the local police departments, the county sheriff's office, the county attorney's office, and appropriate state regulating agencies;

(4) coordination with existing requirements of the reporting of maltreatment of vulnerable adults under section 626.557 and the office of health facility complaints;

(5) review of all complaints by the county social worker and public health nurse;

(6) coordination with alternative care grants case management services;

(7) guidelines to enable county personnel to identify persons receiving home care services who are particularly vulnerable due to the lack of a familial or community monitoring network and who are in need of monitoring by the county to assure personal safety, quality care, and financial management services; and

(8) guidelines for resolution of complaints to protect the consumer, including time requirements and implementation of existing mechanisms established under section 626.557.

*Subd. 3. [RESOLUTION OF COMPLAINTS.]* (a) The commissioner of health and the county board's designees may inspect the records of a provider of home care services against which a complaint has been filed. With the consent of the consumer, the commissioner and the county boards' designees may visit the home where home care services are being provided.

(b) The commissioner shall adopt rules to govern the issuance of correction orders and assessment of civil penalties.

(c) *The commissioner of health shall adopt rules to establish appeals mechanisms for both providers and consumers related to complaints filed against providers of home care services.*

Subd. 4. [REPORTING OF COMPLAINTS.] *The commissioner shall adopt rules for the uniform and timely reporting of complaints from counties related to home care services. The rules must describe performance-based standards for complaint investigation and reporting, including due process and equal treatment of providers. The commissioner shall assist county personnel to improve resolution of complaints. The rules shall also include requirements for timely response and reports to the counties from the commissioner.*

Sec. 6. [143.06] [POLICY FOR HOME CARE SERVICES REGULATION.]

Subdivision 1. [CRITERIA FOR REGULATION.] *It is the intent of the legislature that no regulation of home care services be imposed unless required for the safety, well-being, and quality of care of the citizens of the state. The commissioner of health shall be advised by a task force with representation from various kinds of providers of home care services, county government, and consumers in the development of standards for the provision of home care services. The task force and the commissioner shall evaluate whether a service should be regulated using the following criteria:*

(a) *whether the unregulated service may harm or endanger the health, safety, and quality of care for citizens of the state and whether the potential for harm is recognizable and not remote;*

(b) *whether the service requires specialized skill or training and whether the public needs will benefit by assurances of initial and continuing provider ability;*

(c) *whether the citizens of this state are or may be effectively protected by other means; and*

(d) *whether the overall cost effectiveness and economic impact would be positive for citizens of the state.*

Subd. 2. [REGULATION MODES.] *If the commissioner and the task force find after evaluation of the criteria listed in subdivision 1 that it is necessary to regulate the provision of a service, then regulation shall be recommended to the legislature in modes in the following order:*

(1) *creation or extension of common law or statutory causes of civil action, and the creation or extension of criminal prohibitions;*

(2) *imposition of inspection requirements and the ability to enforce violations by injunctive relief in the courts;*

(3) *implementation of a system of registration whereby providers who will be the only persons permitted to use a designated title are listed on an official roster after having met predetermined qualifications; or*

(4) *implementation of a system of licensing whereby a provider must receive recognition by the state that he has met predetermined qualifications, and providers not so licensed are prohibited from providing services.*

*Two or more of these modes may be recommended to the legislature if necessary and appropriate.*

Subd. 3. [ANNUAL REPORT.] *The commissioner shall report to the legislature on or before October 1 of each year, regarding activities of the task force, problems identified, recommendations on services to be regulated, the mode of regulation that is appropriate, and a cost-benefit analysis for each service recommended. The report shall include proposed rules that address the following:*

(1) *standards to assure the health, safety, well-being, quality of care, and appropriate treatment of persons who receive home care services;*

(2) *description of information necessary to implement a regulatory mode;*

(3) *standards of training of home care services personnel, which may vary according to the nature of the services provided or the health status of the consumer provided that the commissioner shall not impose additional training or education requirements upon members of a licensed or registered occupation or profession, except as necessary to address or prevent problems that are unique to the delivery of services in the home or to enforce and protect the rights of consumers listed in section 3;*

(4) *standards of supervision of personnel providing home care services, which may vary according to the nature of the services provided or the health status of the consumer;*

(5) *standards for the involvement of a consumer's physician, the documentation of physicians' orders and the consumer's treatment plan, and the maintenance of accurate, current clinical records; and*

(6) *standards for different modes of regulation for different types of providers of home care services, including but not limited to hospice care, respite care, and nutrition services.*



*The annual report shall include data on the numbers, types, and resolution of complaints. The commissioner with the task force shall review existing mechanisms for complaint resolution. The commissioner, with the advice of the task force, shall make recommendations to the legislature to improve existing complaint mechanisms.*

Sec. 7. [143.07] [REGISTRATION.]

*Subdivision 1. [REQUIRED INFORMATION.] All home health agencies as defined in section 2, subdivision 4, and all personal care attendants as defined in section 2, subdivision 5, shall register with the commissioner of health, in writing, the agency's name; the name of its parent corporation or sponsoring organization, if any; the street address and telephone number of its principal place of business; the street address and telephone number of its principal place of business in Minnesota; the counties in Minnesota in which it may render services; the street address and telephone number of all other offices in Minnesota; and the name, educational background, and ten-year employment history of the person responsible for the management of the agency.*

*Subd. 2. [LIMITATION ON REIMBURSEMENT.] Only a home health agency or personal care attendant who is registered with the commissioner under this section may receive reimbursement from the medical assistance program or the alternative care grant program under chapter 256B.*

*Subd. 3. [PROPOSED RULES.] Before October 1, 1986, the commissioner shall develop proposed rules to register home health agencies and personal care attendants. The proposed rule provisions may include, but not be limited to, the following:*

*(1) standards to assure the health, safety, well-being, quality of care, and appropriate treatment of persons who receive home health services;*

*(2) requirements that home health agencies and personal care attendants furnish the commissioner additional specified information necessary to implement this section;*

*(3) standards of supervision and training of personnel providing home health services, which may vary according to the nature of the services provided or the health status of the consumer;*

*(4) standards for the involvement of a consumer's physician, the documentation of physicians' orders and the consumer's treatment plan, and the maintenance of accurate, current clinical records; and*

(5) *operating procedures required to implement the home care bill of rights.*

*For home health agencies certified under the medicare program, the state standards must not be inconsistent with the medicare standards for medicare services.*

*Subd. 4. [ENFORCEMENT.] The commissioner may refuse to grant or renew a registration, or may suspend or revoke a registration, for violation of statutes or rules relating to home health agencies and personal care attendants or for conduct detrimental to the welfare of the consumer. In addition to any other remedy provided by law, the commissioner may, without a prior contested case hearing, temporarily suspend a registration or prohibit delivery of services by an agency or attendant for not more than 60 days if the commissioner determines that the health or safety of a consumer is in imminent danger, provided (1) advance notice is given to the agency; (2) after notice, the agency or attendant fails to correct the problem; (3) the commissioner has reason to believe that other administrative remedies are not likely to be effective; and (4) there is a subsequent opportunity for a contested case hearing. The process of suspending or revoking a registration must include a plan for transferring affected clients to other agencies. At the request of a registrant who has been issued a correction order, the commissioner shall order a review of the appropriateness of the correction order by a person designated by the commissioner other than the person who issued the correction order. The review process must allow an opportunity for the registrant to submit a brief explanation of the objections to the correction order. If, after receiving the report and recommendation of the reviewer, the commissioner determines that the correction order was issued inappropriately, the commissioner shall retract the correction order and remove from the registrant's record all references to the order.*

**Sec. 8.** Minnesota Statutes 1984, section 144.699, subdivision 2, is amended to read:

**Subd. 2. [FOSTERING PRICE COMPETITION.]** The commissioner of health shall:

(a) Encourage hospitals, outpatient surgical centers, providers of home care services, and professionals regulated by the health related licensing boards as defined in section 214.01, subdivision 2, and by the commissioner of health under section 214.13, to publish prices for procedures and services that are representative of the diagnoses and conditions for which citizens of this state seek treatment.

(b) Analyze and disseminate available price information and analysis so as to foster the development of price competition

among hospitals, outpatient surgical centers, *providers of home care services*, and health professionals.

Sec. 9. Minnesota Statutes 1984, section 144A.51, subdivision 6, is amended to read:

Subd. 6. "Resident" means any resident or patient of a health facility or a consumer of services provided by a home health agency, or personal care attendant, or the guardian or conservator of (A) the resident (OR), patient (OF A HEALTH FACILITY), or consumer, if one has been appointed.

Sec. 10. Minnesota Statutes 1984, section 144A.51, is amended by adding a subdivision to read:

Subd. 7. "Home health agency" means a provider defined in section 2.

Sec. 11. Minnesota Statutes 1984, section 144A.51, is amended by adding a subdivision to read:

Subd. 8. "Personal care attendant" means a provider defined in section 2.

Sec. 12. Minnesota Statutes 1984, section 144A.52, subdivision 3, is amended to read:

Subd. 3. The director may delegate to members of his staff any of his authority or duties except the duty of formally making recommendations to the legislature, administrative agencies, health facilities, health care providers, *home health agencies*, *personal care attendants*, and the state commissioner of health.

Sec. 13. Minnesota Statutes 1984, section 144A.53, subdivision 1, is amended to read:

Subdivision 1. [POWERS.] The director may:

(a) Promulgate by rule, pursuant to chapter 14, and within the limits set forth in subdivision 2, the methods by which complaints against health facilities, health care providers, *home health agencies*, *personal care attendants*, or administrative agencies are to be made, reviewed, investigated, and acted upon; provided, however, that he may not charge a fee for filing a complaint;

(b) Recommend legislation and changes in rules to the state commissioner of health, legislature, governor, administrative agencies or the federal government;

(c) Investigate, upon a complaint or upon his own initiative, any action or failure to act by a health care provider, *home health agency, personal care attendant*, or a health facility;

(d) Request and receive access to relevant information, records, or documents in the possession of an administrative agency, a health care provider, *a home health agency, personal care attendant*, or a health facility which he deems necessary for the discharge of his responsibilities;

(e) Enter and inspect, at any time, a health facility; provided that the director shall not unduly interfere with or disturb the activities of a resident unless the resident consents;

(f) Issue a correction order pursuant to section 144.653 or any other law which provides for the issuance of correction orders to health care facilities or *home health agencies*;

(g) Recommend the certification or decertification of health facilities pursuant to Title XVIII or Title XIX of the United States Social Security Act;

(h) Assist residents of health facilities in the enforcement of their rights under Minnesota law; and

(i) Work with administrative agencies, health facilities, *home health agencies*, and health care providers and organizations representing consumers on programs designed to provide information about health facilities to the public and to health facility residents.

Sec. 14. Minnesota Statutes 1984, section 144A.53, subdivision 2, is amended to read:

Subd. 2. [COMPLAINTS.] The director may receive a complaint from any source concerning an action of an administrative agency, a health care provider, *a home health agency, personal care attendant*, or a health facility. He may require a complainant to pursue other remedies or channels of complaint open to the complainant before accepting or investigating the complaint.

The director shall keep written records of all complaints and his action upon them. After completing his investigation of a complaint, he shall inform the complainant, *the appropriate county board designee*, the administrative agency having jurisdiction over the subject matter, the health care provider, *the home health agency, the personal care attendant*, and the health facility of the action taken.

Sec. 15. Minnesota Statutes 1984, section 144A.53, subdivision 3, is amended to read:

Subd. 3. [RECOMMENDATIONS.] If, after duly considering a complaint and whatever material he deems pertinent, the director determines that the complaint is valid, he may recommend that an administrative agency, a health care provider, *a home health agency, personal care attendant*, or a health facility should:

(a) Modify or cancel the actions which gave rise to the complaint;

(b) Alter the practice, rule or decision which gave rise to the complaint;

(c) Provide more information about the action under investigation; or

(d) Take any other step which the director considers appropriate.

If the director requests, the administrative agency, a health care provider, *a home health agency, personal care attendant*, or health facility shall, within the time specified, inform the director about the action taken on his recommendation.

Sec. 16. Minnesota Statutes 1984, section 144A.53, subdivision 4, is amended to read:

Subd. 4. [REFERRAL OF COMPLAINTS.] If a complaint received by the director relates to a matter more properly within the jurisdiction of an occupational licensing board or other governmental agency, the director shall forward the complaint to that agency and shall inform the complaining party of the forwarding. The agency shall promptly act in respect to the complaint, and shall inform the complaining party and the director of its disposition. If a governmental agency receives a complaint which is more properly within the jurisdiction of the director, it shall promptly forward the complaint to the director, and shall inform the complaining party of the forwarding. If the director has reason to believe that an official or employee of an administrative agency, *a home health agency, personal care attendant*, or health facility has acted in a manner warranting criminal or disciplinary proceedings, he shall refer the matter to the state commissioner of health, the commissioner of human services, an appropriate prosecuting authority, or other appropriate agency.

Sec. 17. Minnesota Statutes 1984, section 144A.54, subdivision 1, is amended to read:

Subdivision 1. Except as otherwise provided by this section, the director may determine the form, frequency, and distribution of his conclusions and recommendations. The director shall transmit his conclusions and recommendations to the state commis-

sioner of health and the legislature. Before announcing a conclusion or recommendation that expressly or by implication criticizes an administrative agency, a health care provider, a *home health agency, personal care attendant*, or a health facility, the director shall consult with that agency, health care provider, *home health agency, personal care attendant*, or facility. When publishing an opinion adverse to an administrative agency, a health care provider, a *home health agency, personal care attendant*, or a health facility, he shall include in the publication any statement of reasonable length made to him by that agency, health care provider, *home health agency, personal care attendant*, or health facility in defense or explanation of the action.

Sec. 18. Minnesota Statutes 1985 Supplement, section 626.557, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific context indicates otherwise.

(a) "Facility" means a hospital or other entity required to be licensed pursuant to sections 144.50 to 144.58; a nursing home required to be licensed to serve adults pursuant to section 144A.02; an agency, day care facility, or residential facility required to be licensed to serve adults pursuant to sections 245.781 to 245.812; or a home health agency (CERTIFIED FOR PARTICIPATION IN TITLES XVIII OR XIX OF THE SOCIAL SECURITY ACT, UNITED STATES CODE, TITLE 42, SECTIONS 1395 ET SEQ) *defined under section 2*.

(b) "Vulnerable adult" means any person 18 years of age or older:

(1) who is a resident or inpatient of a facility;

(2) who receives services at or from a facility required to be licensed to serve adults pursuant to sections 245.781 to 245.812, except a person receiving outpatient services for treatment of chemical dependency or mental illness;

(3) who receives services from a home health agency (CERTIFIED FOR PARTICIPATION UNDER TITLES XVIII OR XIX OF THE SOCIAL SECURITY ACT, UNITED STATES CODE, TITLE 42, SECTIONS 1395 ET SEQ AND 1396 ET SEQ) *defined under section 2*; or

(4) who, regardless of residence or type of service received, is unable or unlikely to report abuse or neglect without assistance because of impairment of mental or physical function or emotional status.

(c) "Caretaker" means an individual or facility who has responsibility for the care of a vulnerable adult as a result of a family relationship, or who has assumed responsibility for all or a portion of the care of a vulnerable adult voluntarily, by contract, or by agreement.

(d) "Abuse" means:

(1) any act which constitutes a violation under sections 609.221 to 609.223, 609.23 to 609.235, 609.322, 609.342, 609.343, 609.344, or 609.345;

(2) nontherapeutic conduct which produces or could reasonably be expected to produce pain or injury and is not accidental, or any repeated conduct which produces or could reasonably be expected to produce mental or emotional distress;

(3) any sexual contact between a facility staff person and a resident or client of that facility; or

(4) the illegal use of a vulnerable adult's person or property for another person's profit or advantage, or the breach of a fiduciary relationship through the use of a person or a person's property for any purpose not in the proper and lawful execution of a trust, including but not limited to situations where a person obtains money, property, or services from a vulnerable adult through the use of undue influence, harassment, duress, deception, or fraud.

(e) "Neglect" means:

(1) failure by a caretaker to supply a vulnerable adult with necessary food, clothing, shelter, health care or supervision;

(2) the absence or likelihood of absence of necessary food, clothing, shelter, health care, or supervision for a vulnerable adult; or

(3) the absence or likelihood of absence of necessary financial management to protect a vulnerable adult against abuse as defined in paragraph (d), clause (4). Nothing in this section shall be construed to require a health care facility to provide financial management or supervise financial management for a vulnerable adult except as otherwise required by law.

(f) "Report" means any report received by a local welfare agency, police department, county sheriff, or licensing agency pursuant to this section.

(g) "Licensing agency" means:

(1) the commissioner of health, for facilities as defined in clause (a) which are required to be licensed or certified by the department of health;

(2) the commissioner of human services, for facilities required by sections 245.781 to 245.813 to be licensed;

(3) any licensing board which regulates persons pursuant to section 214.01, subdivision 2; and

(4) any agency responsible for credentialing human services occupations.

Sec. 19. Minnesota Statutes 1985 Supplement, section 626.-557, subdivision 5, is amended to read:

Subd. 5. [IMMUNITY FROM LIABILITY.] (a) A person making a voluntary or mandated report under subdivision 3 or participating in an investigation under this section is immune from any civil or criminal liability that otherwise might result from the person's actions, if the person is acting in good faith.

(b) A person employed by a local welfare agency, *public health agency, the governing body of those agencies*, or a state licensing agency who is conducting or supervising an investigation or enforcing the law in compliance with subdivision 10, 11, or 12 or any related rule or provision of law is immune from any civil or criminal liability that might otherwise result from the person's actions, if the person is acting in good faith and exercising due care.

Sec. 20. Minnesota Statutes 1985 Supplement, section 626.-557, subdivision 10, is amended to read:

Subd. 10. [DUTIES OF LOCAL WELFARE AGENCY UPON A RECEIPT OF A REPORT.] (a) The local welfare agency shall immediately investigate and offer emergency and continuing protective social services for purposes of preventing further abuse or neglect and for safeguarding and enhancing the welfare of the abused or neglected vulnerable adult. (LOCAL WELFARE AGENCIES) *The county board's designee* may enter facilities and inspect and copy records as part of investigations. In cases of suspected sexual abuse, the local welfare agency shall immediately arrange for and make available to the victim appropriate medical examination and treatment. The investigation shall not be limited to the written records of the facility, but shall include every other available source of information. When necessary in order to protect the vulnerable adult from further harm, the local welfare agency shall seek authority to remove the vulnerable adult from the situation in which the neglect or abuse occurred. The local welfare agency shall also investigate to determine whether the conditions which resulted in the reported abuse



or neglect place other vulnerable adults in jeopardy of being abused or neglected and offer protective social services that are called for by its determination. In performing any of these duties, the local welfare agency shall maintain appropriate records.

(b) If the report indicates, or if the local welfare agency finds that the suspected abuse or neglect occurred at a facility, or while the vulnerable adult was or should have been under the care of or receiving services from a facility, or that the suspected abuse or neglect involved a person licensed by a licensing agency to provide care or services, the local welfare agency shall immediately notify each appropriate licensing agency, and provide each licensing agency with a copy of the report and of its investigative findings.

(c) When necessary in order to protect a vulnerable adult from serious harm, the local agency shall immediately intervene on behalf of that adult to help the family, victim, or other interested person by seeking any of the following:

(1) a restraining order or a court order for removal of the perpetrator from the residence of the vulnerable adult pursuant to section 518B.01;

(2) the appointment of a guardian or conservator pursuant to sections 525.539 to 525.6198, or guardianship or conservatorship pursuant to chapter 252A;

(3) replacement of an abusive or neglectful guardian or conservator and appointment of a suitable person as guardian or conservator, pursuant to sections 525.539 to 525.6198; or

(4) a referral to the prosecuting attorney for possible criminal prosecution of the perpetrator under chapter 609.

The expenses of legal intervention must be paid by the county in the case of indigent persons, under section 525.703 and chapter 563.

In proceedings under sections 525.539 to 525.6198, if a suitable relative or other person is not available to petition for guardianship or conservatorship, a county employee shall present the petition with representation by the county attorney. The county shall contract with or arrange for a suitable person or nonprofit organization to provide ongoing guardianship services. If the county presents evidence to the probate court that it has made a diligent effort and no other suitable person can be found, a county employee may serve as guardian or conservator. The county shall not retaliate against the employee for any action taken on behalf of the ward or conservatee even if the action is adverse to the county's interest. Any person retaliated against in violation of this subdivision shall have a cause of action

against the county and shall be entitled to reasonable attorney fees and costs of the action if the action is upheld by the court.

Sec. 21. [REPORT TO THE LEGISLATURE.]

*The commissioner shall prepare and deliver a report to the legislature on January 2, 1987, with information on the implementation of registration activities for home health agencies and personal care attendants and complaints received by the counties and by the commissioner concerning the provision of home care services.*

Sec. 22. [EFFECTIVE DATE.]

*Sections 1 to 21 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to health; providing for the regulation of home care services; providing for a home care bill of rights; making information and referral services the responsibility of counties; requiring county boards to designate a complaint process; establishing a task force; authorizing proposed rules for home health agencies and personal care attendants; amending Minnesota Statutes 1984, sections 144.699, subdivision 2; 144A.51, subdivision 6; 144A.52, subdivision 3; 144A.53, subdivisions 1 to 4; and 144A.54, subdivision 1; Minnesota Statutes 1985 Supplement, section 626.557, subdivisions 2, 5, and 10; proposing coding for new law as chapter 143."

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

The report was adopted.

Onnen from the Committee on Health and Human Services to which was referred:

H. F. No. 943, A bill for an act relating to human services; providing state hospital revolving fund for chemical dependency; creating a consolidated fund for payment of chemical dependency treatment; appropriating money to counties for treatment; providing for client eligibility, vendor eligibility, and state collections; providing for American Indian special funding; removing chemical dependency treatment from medical assistance, general assistance medical care, and general assistance funding; amending Minnesota Statutes 1984, sections 246.04; 246.18; 246.23; 246.50, by adding a subdivision; 246.51, subdivision 1; 246.54; 256B.02, subdivision 8; 256B.70; and 256D.03, subdivision 4; proposing coding for new law in Minnesota Statutes,

chapter 246; and proposing coding for new law as Minnesota Statutes, chapter 254B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 246.04, is amended to read:

**246.04 [BOOKS AND ACCOUNTS.]**

The commissioner of human services shall keep at his office a proper and complete system of books and accounts with each institution, showing every expenditure authorized and made therefor. Such books shall contain a separate account of each extraordinary or special appropriation made by the legislature, with every item of expenditure therefrom. *The commissioner shall maintain a separate fund for all chemical dependency appropriations that will provide for an ascertainable review of receipts and expenditures under section 246.18, subdivision 2.*

Sec. 2. Minnesota Statutes 1984, section 246.18, is amended to read:

**246.18 [DISPOSAL OF FUNDS.]**

*Subdivision 1. [GENERALLY.] Except as provided in subdivision 2, every officer and employee of the several institutions under the jurisdiction of the commissioner of human services shall pay to the accounting officer thereof any funds in his hands belonging to the institution. Every accounting officer, at the close of each month or oftener, shall forward to the commissioner of human services a statement of the amount and sources of all moneys received. On receipt of such statement, the commissioner shall transmit the same to the commissioner of finance, who shall deliver to the state treasurer a draft upon the accounting officer for the same specifying the funds to which it is to be credited. Upon payment of such draft, the amount shall be so credited.*

*Subd. 2. [CHEMICAL DEPENDENCY FUND.] Money received by a chemical dependency treatment facility operated by a hospital or nursing home under the jurisdiction of the commissioner of human services must be deposited in the state treasury and credited to a chemical dependency fund. Money in the chemical dependency fund is appropriated to the commissioner to operate chemical dependency programs.*

*Subd. 3. [CHEMICAL DEPENDENCY ACCOUNTS.] The commissioner of finance shall provide accounting procedures for separate interest bearing chemical dependency accounts within the chemical dependency fund for each state facility providing*

*chemical dependency services that will allow money to be readily available to finance chemical dependency programs. After June 30, 1992, the commissioner must not allocate money to a state facility for chemical dependency programs in excess of the amount of deposits of money received by the facility and deposited in the facility's chemical dependency account without the approval of the governor after consultation with the legislative advisory commission, except that before June 30, 1992, the commissioner may transfer or supplement funds in chemical dependency accounts to cover any revenue shortfall in a particular state hospital chemical dependency program. Twenty percent of the money in the chemical dependency fund that was reappropriated from the state hospital account must be transferred to the state hospitals' chemical dependency accounts on a pro rata basis as an advance payment for chemical dependency services to be delivered under chapter 254B.*

Sec. 3. Minnesota Statutes 1985 Supplement, section 246.23, is amended to read:

**246.23 [PERSONS ADMISSIBLE TO STATE HOSPITALS.]**

No person who has not a settlement in a county, as defined in section 256D.18, shall be admitted to a state hospital for persons with mental illness, mental retardation, or chemical dependency, except that the commissioner of human services may authorize admission thereto when the residence cannot be ascertained, or when the circumstances in his judgment make it advisable. *Except for emergency admissions under sections 253B.05 and 253B.11, or when authorized by the commissioner, a chemical dependency program must not admit a chemically dependent person unless the cost of services will be paid for by private money or nongovernmental third-party payments, the person has been placed by a county or a federally recognized tribal unit that is responsible for payment, or the hospital obtains approval of the admission from the county financially responsible for the person. The commissioner shall maintain and enhance cooperative and effective relationships between counties and state hospitals and between the various state hospital chemical dependency programs. In carrying out this responsibility the commissioner shall maintain a regionally based system of chemical dependency programs.* When application is made to a judge of probate for admission to any of the state hospitals above named for admission thereto, if he finds that the person for whom application is made has not such residence, or that his residence cannot be ascertained, he shall so report to the commissioner; and he may recommend that such person be admitted notwithstanding, giving his reasons therefor. The commissioner of human services shall thereupon investigate the question of residence and, if he finds that such person has not such residence and has a legal residence in another state or country, he may cause him to be returned thereto at the expense of this state.

Sec. 4. Minnesota Statutes 1985 Supplement, section 246.50, is amended by adding a subdivision to read:

*Subd. 9. "Chemical dependency programs" means all planned services for chemically dependent persons provided by the commissioner in a specific state hospital, the chemical dependency unit operated by the Ah-Gwah-Ching nursing home, and diagnostic evaluation, prevention, referral, outpatient, or aftercare services developed as part of licensed residential or nonresidential chemical dependency treatment programs.*

Sec. 5. Minnesota Statutes 1984, section 246.51, subdivision 1, is amended to read:

Subdivision 1. [PROCEDURES.] The commissioner shall make investigation as necessary to determine, and as circumstances require redetermine, what part of the cost of care, if any, the patient is able to pay. If the patient is unable to pay the full cost of care the commissioner shall make a determination as to the ability of the relatives to pay. The patient or relatives or both shall provide the commissioner documents and proofs necessary to determine their ability to pay. Failure to provide the commissioner with sufficient information to determine ability to pay may make the patient or relatives, both, liable for the full (PER CAPITA) cost of care until the time when sufficient information is provided. No parent shall be liable for the cost of care given a patient at a state hospital after the patient has reached the age of 18 years. The commissioner's determination shall be conclusive in any action to enforce payment of the cost of care unless appealed from as provided in section 246.55. All money received, *except for chemical dependency receipts*, shall be paid to the state treasurer and placed in the general fund of the state and a separate account kept of it. Responsibility under this section shall not apply to those relatives having gross earnings of less than \$11,000 per year.

Sec. 6. Minnesota Statutes 1985 Supplement, section 246.54, is amended to read:

#### 246.54 [LIABILITY OF COUNTY; REIMBURSEMENT.]

*Except for chemical dependency services provided under chapter 254B*, the patient's or resident's county shall pay to the state of Minnesota a portion of the cost of care provided in a state hospital to a patient or resident legally settled in that county. A county's payment shall be made from the county's own sources of revenue and payments shall be paid as follows: payments to the state from the county shall equal ten percent of the per capita rate, as determined by the commissioner, for each day, or the portion thereof, that the patient or resident spends at a state hospital. If payments received by the state under sections 246.50 to 246.53 exceed 90 percent of the per capita rate, the

county shall be responsible for paying the state only the remaining amount. The county shall not be entitled to reimbursement from the patient or resident, the patient's or resident's estate, or from the patient's or resident's relatives, except as provided in section 246.53. No such payments shall be made for any patient or resident who was last committed prior to July 1, 1947.

**Sec. 7. [246.64] [CHEMICAL DEPENDENCY SERVICE AGREEMENTS.]**

**Subdivision 1. [CHEMICAL DEPENDENCY RATES.]** *Notwithstanding sections 246.50, subdivision 5; 246.511; and 251.011; the commissioner shall establish separate rates for each chemical dependency service operated by the commissioner and may establish separate rates for each service component within the program by establishing fees for services or different per diem rates for each separate chemical dependency unit within the program based on actual costs attributable to the service or unit. The rate must allocate the cost of all anticipated maintenance, treatment, and expenses including depreciation of buildings and equipment, interest paid on bonds issued for capital improvements for chemical dependency programs, reimbursement and other indirect costs related to the operation of chemical dependency programs other than that paid from the Minnesota state building fund, and losses due to bad debt. The rate must not include allocations of chaplaincy, patient advocacy, or quality assurance costs that are not required for chemical dependency licensure by the commissioner or certification for chemical dependency by the Joint Commission on Accreditation of Hospitals. Notwithstanding any other law, the commissioner shall treat these costs as nonhospital department expenses.*

**Subd. 2. [DEPRECIATION COLLECTIONS.]** *Beginning July 1, 1987, depreciation collected under subdivision 1 must be credited to the general fund and principal and interest on the bonded debt collected under subdivision 1 must be deposited in the state bond fund.*

**Subd. 3. [RESPONSIBILITIES OF COMMISSIONER.]** *The commissioner shall credit all receipts from billings for rates set in subdivision 1, except those credited according to subdivision 2, to the chemical dependency fund. This money must not be used for a hospital activity that is not a chemical dependency service or an allocation of expenditures that are included in the base for computation of the rates under subdivision 1. The commissioner may expand chemical dependency services so long as expenditures are recovered by patient fees, transfer of funds, or supplementary appropriations. The commissioner may expand or reduce chemical dependency staff complement as long as expenditures are recovered by patient fees, transfer of funds, or supplementary appropriations. An increase or decrease in chemical dependency staff shall not result in an increase or decrease in staff in any facility or unit not providing chemical depen-*

dency services. Notwithstanding chapters 176 and 268, the commissioner shall provide for the self-insurance of state hospital chemical dependency programs for the costs of unemployment compensation and workers' compensation claims. The commissioner shall provide a biennial report to the chairs of the senate finance subcommittee on health and human services, the house of representatives health and human services division of appropriations, and the senate and house of representatives health and human services committees.

Subd. 4. [TRADE SECRET INFORMATION.] *Notwithstanding any law to the contrary, data concerning matters affecting the competitive position of the chemical dependency programs is "trade secret information" for purposes of classification under section 13.37, subdivision 2.*

Sec. 8. [254B.01] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] *The definitions in this section apply to sections 8 to 20.*

Subd. 2. [AMERICAN INDIAN.] *For purposes of services provided under section 16, subdivision 7, "American Indian" means a person who is a member of an Indian tribe, and the commissioner shall use the definitions of "Indian" and "Indian tribe" and "Indian organization" provided in Public Law Number 93-638. For purposes of services provided under section 16, subdivision 4, "American Indian" means a resident of federally recognized tribal lands who is recognized as an Indian person by the federally recognized tribal governing body.*

Subd. 3. [CHEMICAL DEPENDENCY SERVICES.] *"Chemical dependency services" means a planned program of care for the treatment of chemical dependency or chemical abuse to minimize or prevent further chemical abuse by the person. Diagnostic, evaluation, prevention, referral, detoxification, and aftercare services that are not part of a program of care licensable as a residential or nonresidential chemical dependency treatment program are not chemical dependency services for purposes of this section.*

Subd. 4. [COMMISSIONER.] *Unless otherwise indicated, "commissioner" means the commissioner of human services.*

Subd. 5. [LOCAL AGENCY.] *"Local agency" means the agency designated by a board of county commissioners or a human services board to make placements and submit state invoices according to sections 8 to 20.*

Subd. 6. [LOCAL MONEY.] *"Local money" means county levies, community social services block grants, federal social services money, or other money that may be spent at county discre-*

tion to provide chemical dependency services eligible for payment according to sections 8 to 20.

**Sec. 9. [254B.02] [CHEMICAL DEPENDENCY ALLOCATION PROCESS.]**

**Subdivision 1. [CHEMICAL DEPENDENCY TREATMENT ALLOCATION.]** *The commissioner shall annually divide the money available in the chemical dependency fund that is not held in reserve by counties from a previous allocation. Twelve percent of the money must be reserved for treatment of American Indians by eligible vendors under section 20. The remainder of the money must be allocated among the counties according to the following formula, using state demographer data and other data sources determined by the commissioner:*

(a) *The county non-Indian and over age 14 per capita-months of eligibility for aid to families with dependent children, general assistance, and medical assistance is divided by the total state non-Indian and over age 14 per capita-months of eligibility to determine the caseload factor for each county.*

(b) *The average median family income for the previous three years for the state is divided by the average median family income for the previous three years for each county to determine the income factor.*

(c) *The non-Indian and over age 14 population of the county is multiplied by the sum of the income factor and the caseload factor to determine the adjusted population.*

(d) *\$15,000 shall be allocated to each county.*

(e) *The remaining funds shall be allocated proportional to the county adjusted population.*

**Subd. 2. [COUNTY ADJUSTMENT; MAXIMUM ALLOCATION.]** *The commissioner shall determine the state money used by each county in fiscal year 1986, using all state data sources. If available records do not provide specific chemical dependency expenditures for every county, the commissioner shall determine the amount of state money using estimates based on available data. In state fiscal year 1988, a county must not be allocated more than 150 percent of the state money spent by or on behalf of the county for chemical dependency treatment services eligible for payment under section 12. The allocation maximums must be increased by 25 percent each year. After fiscal year 1992, there must be no allocation maximum. The commissioner shall reallocate the excess over the maximum to counties allocated less than the fiscal year 1986 state money, using the following process:*



(a) *The allocation is divided by 1985 state expenditures to determine percentage of prior expenditure, and counties are ranked by percentage of prior expenditure.*

(b) *The allocation of the lowest ranked county is raised to the same percentage of prior expenditure as the second lowest ranked county. The allocation of these two counties is then raised to the percentage of prior expenditures of the third lowest ranked county.*

(c) *The operations under paragraph (b) are repeated with each county by ranking until the money in excess of the allocation maximum has been allocated.*

*Subd. 3. [RESERVE ACCOUNT.] The commissioner shall allocate money from the reserve account to counties that, during the current fiscal year, have met or exceeded the base level of expenditures for eligible chemical dependency services from local money. The commissioner shall establish the base level for fiscal year 1988 as the amount of local money used for eligible services in calendar year 1986. In later years, the base level must be increased in the same proportion as state appropriations to implement sections 8 to 20 are increased. The base level must not be decreased if appropriations are decreased in later years. The local match rate for the reserve account is the same rate as applied to the initial allocation. Reserve account payments must not be included when calculating the county adjustments made according to subdivision 2.*

*Subd. 4. [ALLOCATION SPENDING LIMITS.] Money allocated according to subdivision 1 and section 16, subdivision 4, is available for payments for up to two years. The commissioner shall deduct payments from the most recent year allocation in which money is available. Allocations under this section that are not used within two years must be reallocated to the reserve account for payments under subdivision 3. Allocations under section 16, subdivision 4, that are not used within two years must be reallocated for payments under section 16, subdivision 5.*

*Subd. 5. [ADMINISTRATIVE ADJUSTMENT.] The commissioner may make payments to local agencies from money allocated under this section to support administrative activities under sections 10 and 11. The administrative payment must not exceed five percent of the first \$50,000, four percent of the next \$50,000, and three percent of the remaining county allocation and must not be paid if the level of expenditures indicates that the allocation for the year will be exhausted by payments for services from the allocation. Twenty-five percent of the administrative allowance shall be advanced at the beginning of each year and remaining payments must be made under this section at the end of each quarter from any unspent allocation for that year.*

**Sec. 10. [254B.03] [RESPONSIBILITY TO PROVIDE  
CHEMICAL DEPENDENCY TREATMENT.]**

*Subdivision 1. [LOCAL AGENCY DUTIES.] (a) Every local agency shall provide chemical dependency services to persons residing within its jurisdiction who meet criteria established by the commissioner for placement in a chemical dependency residential or nonresidential treatment service. Chemical dependency money must be administered by the local agencies according to law and rules adopted by the commissioner under sections 14.01 to 14.69.*

*(b) In order to contain costs, the county board shall, with the approval of the commissioner of human services, select eligible vendors of chemical dependency services who can provide economical care. Unless the local agency is a social services department directly administered by a county or human services board, the local agency shall not be an eligible vendor under section 12. The commissioner may approve proposals from county boards to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. If a county implements a demonstration or experimental medical services funding plan, the commissioner shall transfer the money as appropriate.*

*Subd. 2. [CHEMICAL DEPENDENCY SERVICES.] (a) Payment from the chemical dependency fund is limited to payments for services other than detoxification that, if located outside of federally recognized tribal lands, would be required to be licensed by the commissioner as a residential or nonresidential treatment program under sections 245.781 to 245.812. Hospitals may apply for and receive licenses to be eligible vendors, notwithstanding the provisions of section 245.791. Vendors receiving payments from the chemical dependency fund must not require copayment from a recipient of benefits for services provided under this subdivision.*

*(b) A county may, from its own resources, provide chemical dependency services for which state payments are not made.*

*(c) The commissioner shall coordinate chemical dependency services and determine whether there is a need for any proposed expansion of chemical dependency treatment services. The commissioner shall deny vendor certification to any provider that has not received prior approval from the commissioner for the creation of new programs or the expansion of existing program capacity. The commissioner shall consider the provider's capacity to obtain clients from outside the state based on plans, agreements, and previous utilization history, when determining the need for new treatment services.*

*Subd. 3. [LOCAL AGENCIES TO PAY STATE FOR  
COUNTY SHARE.] Local agencies shall submit invoices to the*

state on forms supplied by the commissioner and according to procedures established by the commissioner. Local agencies shall pay the state for the county share of the invoiced services.

Subd. 4. [DIVISION OF COSTS.] *The county shall, out of local money, reimburse the state for 15 percent of the cost of chemical dependency services costs paid by the state under this section. Counties may use the indigent hospitalization levy for treatment and hospital payments made under this section. Fifteen percent of any state collections from private or third-party pay must be distributed to the county that paid for the treatment under this section. If all funds allocated according to section 9 are exhausted by a county and the county has met or exceeded the base level of expenditures under section 9, subdivision 3, the county shall reimburse the state for 15 percent of the costs paid by the state under this section. The commissioner may refuse to pay state funds for services to persons not eligible under section 11, subdivision 1, if the commissioner determines that funds will otherwise not be available for persons who are entitled to chemical dependency fund services.*

Subd. 5. [RULES; APPEAL.] *The commissioner shall adopt rules as necessary to implement sections 8 to 20. The commissioner shall establish an appeals process for use by vendors or recipients when services certified by the county are disputed. The commissioner may adopt rules and standards for the appeal process to assure adequate redress for persons referred to inappropriate services.*

Subd. 6. [PILOT PROJECTS.] *The commissioner may transfer funds for chemical dependency services from the general fund appropriations for the general assistance, general assistance medical care, and medical assistance programs for pilot projects to design and test procedures needed to implement this legislation. The commissioner shall exempt funds from these sources that are used in pilot projects from relevant provisions of state laws and rules governing the use of these funds. The commissioner may make grants and contracts for this purpose, and the provisions of chapter 14 shall not apply to the procedures and criteria used to implement pilot projects.*

Subd. 7. [COMMISSIONER REVIEW; COMPLAINTS.] *The commissioner shall:*

(1) *provide training and assistance to counties on procedures for processing placements and making payments;*

(2) *visit facilities and review records as necessary to determine compliance with procedures established by law and rule;*

(3) *take complaints from vendors and recipients and investigate county placement activities as needed to determine compliance with law and rule.*

*Counties and vendors shall make regular reports as required by the commissioner to facilitate commissioner review.*

**Subd. 8. [REPORT TO LEGISLATURE.]** *The commissioner shall report to the legislature each biennium beginning in 1989 on chemical dependency services provided and expenditures made, and shall make recommendations regarding funding levels and new legislation.*

**Sec. 11. [254B.04] [ELIGIBILITY FOR CHEMICAL DEPENDENCY FUND SERVICES.]**

**Subdivision 1. [ELIGIBILITY.]** *Persons eligible for benefits under sections 256D.01 to 256D.21 and persons eligible for federal health care benefits under section 256B.06 are entitled to chemical dependency fund services.*

**Subd. 2. [AMOUNT OF CONTRIBUTION.]** *The commissioner shall adopt a sliding fee scale to determine the amount of contribution to be required from persons whose income and non-exempt property are greater than the standard of assistance under sections 256B.06 and 256D.01 to 256D.21. The commissioner may adopt an existing fee scale from another assistance program or from the state facilities by publication in the state register. The fee scale must not provide assistance to persons whose income is more than 115 percent of the state median income. Payments of liabilities under this section are medical expenses for purposes of determining spend-down under sections 256B.06 and 256D.01 to 256D.21.*

**Sec. 12. [254B.05] [VENDOR ELIGIBILITY.]**

*Programs licensed by the commissioner are eligible vendors. Hospitals may apply for and receive licenses to be eligible vendors, notwithstanding the provisions of section 245.791. American Indian programs that, if located outside of federally recognized tribal lands, would be required to be licensed to provide chemical dependency primary treatment, extended care, transitional residence, or outpatient treatment services, are eligible vendors. Detoxification programs are not eligible vendors. Programs that, if located outside of federally recognized tribal lands, would not be licensed as a chemical dependency residential or nonresidential treatment program under sections 245.781 to 245.812 are not eligible vendors. To be eligible for payment under the Consolidated Chemical Dependency Treatment Fund, a vendor must participate in the Drug and Alcohol Abuse Normative Evaluation System or a comparable system determined by the commissioner.*

**Sec. 13. [254B.06] [REIMBURSEMENT; PAYMENT; DENIAL.]**

*Subdivision 1. [STATE COLLECTIONS.] The commissioner is responsible for all collections from persons determined to be partially responsible for the cost of care of an eligible person receiving services under sections 8 to 20. The commissioner may collect all third-party payments for chemical dependency services provided under sections 8 to 20, including private insurance and federal medicaid and medicare financial participation. The commissioner shall deposit in the general fund a percentage of collections to pay for the cost of billing and collections. The remaining receipts must be deposited in the chemical dependency fund.*

*Subd. 2. [ALLOCATION OF COLLECTIONS.] The commissioner shall allocate all federal financial participation collections to the reserve fund under section 9, subdivision 3. The commissioner shall retain 85 percent of patient payments and third-party payments and allocate the collections to the treatment allocation for the county that is financially responsible for the person. Fifteen percent of patient and third-party payments must be paid to the county financially responsible for the patient. Collections for patient payment and third-party payment for services provided under section 16 shall be allocated to the allocation of the tribal unit which placed the person. Collections of federal financial participation for services provided under section 16 shall be allocated to the tribal reserve account under section 16, subdivision 5.*

*Subd. 3. [PAYMENT; DENIAL.] The commissioner shall pay eligible vendors for placements made by local agencies under section 10, subdivision 1, and placements by tribal designated agencies according to section 16. The commissioner may reduce or deny payment of the state share when services are not provided according to the placement criteria established by the commissioner. The commissioner may pay for all or a portion of improper county chemical dependency placements and bill the county for the entire payment made when the placement did not comply with criteria established by the commissioner.*

**Sec. 14. [254B.07] [THIRD-PARTY LIABILITY.]**

*The state agency provision and payment of, or liability for, chemical dependency medical care is the same as in section 256B.042.*

**Sec. 15. [254B.08] [FEDERAL WAIVERS.]**

*The commissioner shall apply for any federal waivers necessary to secure, to the extent allowed by law, federal financial participation for the provision of services to persons who need chemical dependency services. The commissioner may seek amendments to the waivers or apply for additional waivers to contain costs. The commissioner shall ensure that payment for the cost of providing chemical dependency services under the*

*federal waiver plan does not exceed the cost of chemical dependency services that would have been provided without the waived services.*

**Sec. 16. [254B.09] [INDIAN RESERVATION ALLOCATION OF CHEMICAL DEPENDENCY FUND.]**

*Subdivision 1. [AMERICAN INDIAN CHEMICAL DEPENDENCY ACCOUNT.] The commissioner shall pay eligible vendors for chemical dependency services to American Indians on the same basis as other payments, except that no local match is required when an invoice is submitted by the governing authority of a federally recognized American Indian tribal body on behalf of a current resident of the reservation under this section.*

*Subd. 2. [AMERICAN INDIAN AGREEMENTS.] The commissioner may enter into agreements with federally recognized tribal units to pay for chemical dependency treatment services provided under sections 8 to 20. The agreements must require the governing body of the tribal unit to fulfill all county responsibilities regarding the form and manner of invoicing, and provide that only invoices for eligible vendors according to section 12 will be included in invoices sent to the commissioner for payment, to the extent that money allocated under subdivision 3 is used.*

*Subd. 3. [TRIBAL NONPARTICIPATION.] If a federally recognized tribal governing body has not entered into an agreement under subdivision 2 or cancels the agreement, money must be reallocated to the account established by subdivision 5.*

*Subd. 4. [TRIBAL ALLOCATION.] 42.5 percent of the American Indian chemical dependency account must be allocated to the federally recognized American Indian tribal governing bodies that have entered into an agreement under subdivision 2 as follows: \$10,000 must be allocated to each governing body and the remainder must be allocated in direct proportion to the population of the reservation according to the most recently available estimates from the federal Bureau of Indian Affairs.*

*Subd. 5. [TRIBAL RESERVE ACCOUNT.] The commissioner shall reserve 7.5 percent of the American Indian chemical dependency account. The reserve must be allocated to those tribal units that have used all money allocated under subdivision 4 according to agreements made under subdivision 2. An American Indian tribal governing body may receive not more than 30 percent of the reserve account in a year. Money must be allocated as invoices are received.*

*Subd. 6. [AMERICAN INDIAN TRIBAL PLACEMENTS.] After entering into an agreement under subdivision 2, the governing authority of each reservation may submit invoices to the state for the cost of providing chemical dependency services to*

*residents of the reservation according to the placement regulations governing county placements, except that local match requirements are waived. The governing body may designate an agency to act on its behalf to provide placement services and manage invoices by written notice to the commissioner and evidence of agreement by the agency designated.*

**Subd. 7. [NONRESERVATION INDIAN ACCOUNT.]**  
*Fifty percent of the American Indian chemical dependency allocation must be held in reserve by the commissioner in an account for treatment of Indians not residing on lands of a reservation receiving money under subdivision 4. This money must be used to pay for services certified by county invoice to have been provided to an American Indian eligible recipient. Money allocated under this subdivision may be used for payments on behalf of American Indian county residents only if, in addition to other placement standards, the county certifies that the placement was appropriate to the cultural orientation of the client.*

**Sec. 17.** Minnesota Statutes 1985 Supplement, section 256B.02, subdivision 8, is amended to read:

**Subd. 8. [MEDICAL ASSISTANCE; MEDICAL CARE.]**  
"Medical assistance" or "medical care" means payment of part or all of the cost of the following care and services for eligible individuals whose income and resources are insufficient to meet all of this cost:

(1) Inpatient hospital services. A second medical opinion is required prior to reimbursement for elective surgeries. The commissioner shall publish in the State Register a proposed list of elective surgeries that require a second medical opinion prior to reimbursement. The list is not subject to the requirements of sections 14.01 to 14.70. The commissioner's decision whether a second medical opinion is required, made in accordance with rules governing that decision, is not subject to administrative appeal;

(2) Skilled nursing home services and services of intermediate care facilities, including training and habilitation services, as defined in section 256B.50, subdivision 1, for persons with mental retardation or related conditions who are residing in intermediate care facilities for persons with mental retardation or related conditions. Medical assistance must not be used to pay the costs of nursing care provided to a patient in a swing bed as defined in section 144.562;

(3) Physicians' services;

(4) Outpatient hospital or nonprofit community health clinic services or physician-directed clinic services. The physician-di-

rected clinic staff shall include at least two physicians, one of whom is on the premises whenever the clinic is open, and all services shall be provided under the direct supervision of the physician who is on the premises. Hospital outpatient departments are subject to the same limitations and reimbursements as other enrolled vendors for all services, except initial triage, emergency services, and services not provided or immediately available in clinics, physicians' offices, or by other enrolled providers. "Emergency services" means those medical services required for the immediate diagnosis and treatment of medical conditions that, if not immediately diagnosed and treated, could lead to serious physical or mental disability or death or are necessary to alleviate severe pain. Neither the hospital, its employees, nor any physician or dentist, shall be liable in any action arising out of a determination not to render emergency services or care if reasonable care is exercised in determining the condition of the person, or in determining the appropriateness of the facilities, or the qualifications and availability of personnel to render these services consistent with this section;

(5) Community mental health center services, as defined in rules adopted by the commissioner pursuant to section 256B.04, subdivision 2, and provided by a community mental health center as defined in section 245.62, subdivision 2;

(6) Home health care services;

(7) Private duty nursing services;

(8) Physical therapy and related services;

(9) Dental services, excluding cast metal restorations;

(10) Laboratory and X-ray services;

(11) The following if prescribed by a licensed practitioner: drugs, eyeglasses, dentures, and prosthetic devices. The commissioner shall designate a formulary committee which shall advise the commissioner on the names of drugs for which payment shall be made, recommend a system for reimbursing providers on a set fee or charge basis rather than the present system, and develop methods encouraging use of generic drugs when they are less expensive and equally effective as trademark drugs. The commissioner shall appoint the formulary committee members no later than 30 days following July 1, 1981. The formulary committee shall consist of nine members, four of whom shall be physicians who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, three of whom shall be pharmacists who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, a consumer representative, and a nurs-



ing home representative. Committee members shall serve two year terms and shall serve without compensation. The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act, but the formulary committee shall review and comment on the formulary contents. Prior authorization may be required by the commissioner, with the consent of the drug formulary committee, before certain formulary drugs are eligible for payment. The formulary shall not include: drugs or products for which there is no federal funding; over the counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under the age of seven; or any other over the counter drug identified by the commissioner, in consultation with the appropriate professional consultants under contract with or employed by the state agency, as necessary, appropriate and cost effective for the treatment of certain specified chronic diseases, conditions or disorders, and this determination shall not be subject to the requirements of chapter 14, the administrative procedure act; nutritional products, except for those products needed for treatment of phenylketonuria, hyperlysinemia, maple syrup urine disease, a combined allergy to human milk, cow milk, and soy formula, or any other childhood or adult diseases, conditions, or disorders identified by the commissioner as requiring a similarly necessary nutritional product; anorectics; and drugs for which medical value has not been established. Separate payment shall not be made for nutritional products for residents of long-term care facilities; payment for dietary requirements is a component of the per diem rate paid to these facilities. Payment to drug vendors shall not be modified before the formulary is established except that the commissioner shall not permit payment for any drugs which may not by law be included in the formulary, and his determination shall not be subject to chapter 14, the administrative procedure act. The commissioner shall publish conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

The basis for determining the amount of payment shall be the actual acquisition costs of the drugs plus a fixed dispensing fee established by the commissioner. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. Establishment of this fee shall not be subject to the requirements of the administrative procedure act. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written" on the prescription as required by section 151.21, subdivision 2.

Notwithstanding the above provisions, implementation of any change in the fixed dispensing fee which has not been subject to the administrative procedure act shall be limited to not more than 180 days, unless, during that time, the commissioner shall have initiated rulemaking through the administrative procedure act;

(12) Diagnostic, screening, and preventive services;

(13) Health care prepayment plan premiums and insurance premiums if paid directly to a vendor and supplementary medical insurance benefits under Title XVIII of the Social Security Act;

(14) Abortion services, but only if one of the following conditions is met:

(a) The abortion is a medical necessity. "Medical necessity" means (1) the signed written statement of two physicians indicating the abortion is medically necessary to prevent the death of the mother, and (2) the patient has given her consent to the abortion in writing unless the patient is physically or legally incapable of providing informed consent to the procedure, in which case consent will be given as otherwise provided by law;

(b) The pregnancy is the result of criminal sexual conduct as defined in section 609.342, clauses (c), (d), (e)(i), and (f), and the incident is reported within 48 hours after the incident occurs to a valid law enforcement agency for investigation, unless the victim is physically unable to report the criminal sexual conduct, in which case the report shall be made within 48 hours after the victim becomes physically able to report the criminal sexual conduct; or

(c) The pregnancy is the result of incest, but only if the incident and relative are reported to a valid law enforcement agency for investigation prior to the abortion;

(15) Transportation costs incurred solely for obtaining emergency medical care or transportation costs incurred by nonambulatory persons in obtaining emergency or nonemergency medical care when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services. For the purpose of this clause, a person who is incapable of transport by taxicab or bus shall be considered to be nonambulatory;

(16) To the extent authorized by rule of the state agency, costs of bus or taxicab transportation incurred by any ambulatory eligible person for obtaining nonemergency medical care;

(17) Personal care attendant services provided by an individual, not a relative, who is qualified to provide the services, where the services are prescribed by a physician in accordance with a plan of treatment and are supervised by a registered nurse. Payments to personal care attendants shall be adjusted annually to reflect changes in the cost of living or of providing services by the average annual adjustment granted to vendors such as nursing homes and home health agencies; and

(18) Any other medical or remedial care licensed and recognized under state law unless otherwise prohibited by law, *except licensed chemical dependency treatment programs or primary treatment or extended care treatment units in hospitals that are covered under sections 8 to 20. The commissioner shall include chemical dependency services in the state medical assistance plan for federal reporting purposes, but payment must be made under sections 8 to 20.*

Sec. 18. Minnesota Statutes 1984, section 256B.70, is amended to read:

**256B.70 [DEMONSTRATION PROJECT WAIVER.]**

Each hospital that participates as a provider in a demonstration project, established by the commissioner of human services to deliver medical assistance, or *chemical dependency services on a prepaid, capitation basis, is exempt from the prospective payment system for inpatient hospital service during the period of its participation in that project.*

Sec. 19. Minnesota Statutes 1985 Supplement, section 256D.03, subdivision 4, is amended to read:

Subd. 4. [GENERAL ASSISTANCE MEDICAL CARE; SERVICES.] (a) Reimbursement under the general assistance medical care program shall be limited to the following categories of service: inpatient hospital care, outpatient hospital care, services provided by medicare certified rehabilitation agencies, prescription drugs, equipment necessary to administer insulin and diagnostic supplies and equipment for diabetics to monitor blood sugar level, eyeglasses and eye examinations provided by a physician or optometrist, hearing aids, prosthetic devices, laboratory and X-ray services, physician's services, medical transportation, chiropractic services as covered under the medical assistance program, podiatric services, and dental care. In addition, payments of state aid shall be made for day treatment services provided by a mental health center established under sections 245.61 to 245.69, subdivision 1, and funded through chapter 256E and for prescribed medications for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization.

(b) In order to contain costs, the commissioner of human services shall select vendors of medical care who can provide the most economical care consistent with high medical standards and shall where possible contract with organizations on a prepaid capitation basis to provide these services. The commissioner shall consider proposals by counties and vendors for prepaid health plans, competitive bidding programs, block grants, or other vendor payment mechanisms designed to pro-

vide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. Before implementing prepaid programs in counties with a county operated or affiliated public teaching hospital or a hospital or clinic operated by the University of Minnesota, the commissioner shall consider the risks the prepaid program creates for the hospital and allow the county or hospital the opportunity to participate in the program in a manner that reflects the risk of adverse selection and the nature of the patients served by the hospital, provided the terms of participation in the program are competitive with the terms of other participants considering the nature of the population served. Payment for services provided pursuant to this subdivision shall be as provided to medical assistance vendors of these services under section 256B.02, subdivision 8. The rates payable under this section must be calculated according to section 256.966, subdivision 2.

(c) The commissioner of human services may reduce payments provided under sections 256D.01 to 256D.21 and 261.23 in order to remain within the amount appropriated for general assistance medical care, within the following restrictions.

For the period July 1, 1985, to December 31, 1985, reductions below the cost per service unit allowable under section 256.966, are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 30 percent; payments for all other inpatient hospital care may be reduced no more than 20 percent. Reductions below the payments allowable under general assistance medical care for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than ten percent.

For the period January 1, 1986 to December 31, 1986, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 20 percent; payments for all other inpatient hospital care may be reduced no more than 15 percent. Reductions below the payments allowable under general assistance medical care for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

For the period January 1, 1987 to June 30, 1987, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be

reduced no more than 15 percent; payments for all other inpatient hospital care may be reduced no more than ten percent. Reductions below the payments allowable under medical assistance for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

There shall be no copayment required of any recipient of benefits for any services provided under this subdivision. A hospital receiving a reduced payment as a result of this section may apply the unpaid balance toward satisfaction of the hospital's bad debts.

(d) Any county may, from its own resources, provide medical payments for which state payments are not made.

*(e) Chemical dependency services that are reimbursed under sections 8 to 20 must not be reimbursed under general assistance medical care.*

Sec. 20. Minnesota Statutes 1984, section 256E.08, subdivision 7, is amended to read:

**Subd. 7. [COUNTY OF FINANCIAL RESPONSIBILITY.]**

(a) Except as described in paragraphs (b) and (c), the county responsible for payment for community social services is the county in which the recipient of services resides at the time of application if the applicant is not in a facility described in section 256B.02, subdivision 2, or has never resided in this state other than in such a facility. If the applicant is in a facility described in section 256B.02 and has previously resided in this state without being in such a facility, then the county of financial responsibility is the county in which he or she resided immediately before entering the facility. The county of financial responsibility does not change as a result of referral or approval of referral for services to another county by the county of financial responsibility. Minors are considered as residing in the county in which their parents or guardians reside. When a minor reaches the age of 18, the county of financial responsibility is the county in which the minor resides. If a person continues in residential care or treatment after reaching the age of 18, the county which initiated the treatment is the county of financial responsibility. When there is a dispute as to the county of financial responsibility, the county providing or arranging for services shall pay for them pending final determination of the county of residence. Disputes concerning the county of financial responsibility shall be settled in the manner prescribed in section 256D.18, subdivision 4. When the county board providing the care or service is not the county of the minor's legal residence, it has a claim for recovery of costs upon the county where the minor has residence.

(b) The county of financial responsibility for detoxification services and chemical dependency emergency admissions is the

county where the client is when the need for services is identified. If the client is a resident of a chemical dependency facility, paragraph (a) applies.

(c) The county of financial responsibility for social services for a person receiving aid to families with dependent children, general assistance, or medical assistance is the county from which that person is receiving the aid or assistance.

## Sec. 21. [APPROPRIATIONS.]

*Subdivision 1. [CHEMICAL DEPENDENCY FUND.] The general fund appropriations for the general assistance, general assistance medical care, and medical assistance programs are reduced by the amount attributable to chemical dependency services covered under chapter 254B and this amount is reappropriated to the commissioner of human services for transfer to the chemical dependency fund.*

*The general fund appropriation for the state hospital account is reduced by the amount attributable to chemical dependency programs and this amount is reappropriated to the commissioner of human services for transfer to the chemical dependency fund. This amount must be increased by the amount of salary supplement funds allocated for chemical dependency services in fiscal year 1988.*

*Notwithstanding any other law, \$1,050,000 of the federal alcohol and drug block grant is appropriated to the commissioner of human services for the chemical dependency fund.*

*Subd. 2. [AMERICAN INDIAN GRANTS.] The general fund appropriation for chemical dependency services grants for American Indians is reduced by \$640,000 and reappropriated to the commissioner of human services for transfer to the chemical dependency services fund.*

## Sec. 22. [EXEMPTION.]

*Medical assistance funding for all intermediate care facilities providing chemical dependency services on or before January 1, 1986, shall be exempted from the provisions of sections 8 to 20. The commissioner shall include in the biennial report required under section 10, subdivision 7, recommendations regarding the necessity for continuing this exception beyond July 1, 1989.*

## Sec. 23. [SUNSET.]

*The new sections and subdivisions and amendments enacted by sections 1 to 22 are repealed July 1, 1987, unless adequate forward funding is appropriated to assure start-up and operation of state hospital chemical dependency programs.*

## Sec. 24. [EFFECTIVE DATE.]

*Section 10, subdivision 6, and section 15 are effective the day following final enactment. Sections 1, 2, 4, and 5 are effective January 1, 1987. Sections 3 and 6 to 20 are effective July 1, 1987."*

Delete the title and insert:

"A bill for an act relating to human services; providing state hospital revolving fund for chemical dependency; creating a consolidated fund for payment of chemical dependency treatment; appropriating money to counties for treatment; providing for client eligibility, vendor eligibility, and state collections; providing for American Indian special funding; removing chemical dependency treatment from medical assistance, general assistance medical care, and general assistance funding; amending Minnesota Statutes 1984, sections 246.04; 246.18; 246.51, subdivision 1; 256B.70; and 256E.08, subdivision 7; amending Minnesota Statutes 1985 Supplement, sections 246.23; 246.50, by adding a subdivision; 246.54; 256B.02, subdivision 8; and 256D.-03, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 246; and proposing coding for new law as Minnesota Statutes, chapter 254B."

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

The report was adopted.

Fjoslien from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1016, A bill for an act relating to animals; prohibiting transfer of certain animals for use in research; regulating dealers in certain animals; amending Minnesota Statutes 1984, section 35.71.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1985 Supplement, section 35.71, is amended to read:

**35.71 [UNCLAIMED AND UNREDEEMED ANIMALS IMPOUNDED; SCIENTIFIC USE OR OTHER DISPOSITION.]**

**Subdivision 1. [DEFINITIONS.]** As used in this section, *the following terms have the meanings given them:*

(a) *"Adoption" means the delivery of a dog or cat to a person 18 years of age or older to be kept as a pet or companion animal.*

(b) *"Cat" means any member of the felid family except those specifically raised for experimentation, teaching, or research.*

(c) *"Dealer" means any person who is licensed or required to be licensed under the federal Animal Welfare Act who buys or sells dogs or cats to institutions or other dealers. "Dealer" does not include a person who sells dogs or cats to individuals to be kept as pets or a nonprofit organization devoted to the placement of pets and companion animals.*

(d) *"Dog" means any member of the canid family except those specifically raised for experimentation, teaching, or research.*

(e) *"Establishment" means any public or private agency, person, society, or corporation having custody of animals which are seized under the authority of the state or any political subdivision of the state (AND).*

(f) *"Institution" means a school or college of agriculture, veterinary medicine, medicine, pharmacy, or dentistry, or an educational or scientific establishment properly concerned with investigation or instruction concerning the structure or functions of living organisms or the cause, prevention, control, or cure of diseases or abnormal conditions of human beings or animals.*

Subd. 2. [APPLICATION FOR LICENSE.] An institution may apply to the board for a license to obtain animals, *other than dogs or cats*, from establishments. If, after investigation, the board finds that the institution requesting a license is a fit and proper agency to receive a license, and that the public interest will be served by granting it a license, the board may issue a license to the institution authorizing it to obtain animals under this section.

Subd. 3. [STRAY ANIMALS; SEIZURE, DISPOSITION.] All animals seized by public authority must be held for redemption by the owner for at least five regular business days of the impounding agency or for a longer time specified by municipal ordinance. For the purpose of this subdivision, "regular business day" means a day during which the establishment having custody of an animal is open to the public not less than four consecutive hours between the hours of 8:00 A.M. and 7:00 P.M. Establishments must maintain the following records of the animals in custody, and preserve the records for at least six months:

(a) the description of the animal by species, breed, sex, approximate age, and other distinguishing traits;



- (b) the location at which the animal was seized;
- (c) the date of *the* seizure;
- (d) the name and address of the person from whom any animal three months of age or over was received;
- (e) the name and address of the person to whom any animal three months of age or over was transferred.

The records must be maintained in a form permitting easy perusal by the public. A person may view the records and animals in custody at any time during which the establishment is open to the public. At the end of the five-day period, all animals, *other than dogs and cats*, which remain unredeemed must be made available to any licensed institution which has requested that number of animals. However, if a tag affixed to the animal or a statement by the animal's owner after the animal's seizure specifies that the animal may not be used for research, the animal must not be made available to any institution and may, in the discretion of the establishment, be destroyed after the expiration of the five-day period. If a request is made by a licensed institution to an establishment for more animals than are available at the time of the request, the establishment must withhold from destruction all unclaimed and unredeemed animals until the request has been filled. The actual expense of holding animals beyond the time of notice to the institution of their availability must be borne by the institution receiving them. An establishment which fails or refuses to comply with this section is ineligible for any further public funds from any county or municipality. Upon receipt of a sworn statement by an authorized officer or employee of a licensed institution of noncompliance by any establishment with this section, the treasurer of any municipality or other political subdivision of the state may not pay any public funds to the establishment until the complainant withdraws its statement of noncompliance or until the board either determines that the complaint of noncompliance was without foundation or that the establishment has given adequate assurance of future compliance and the treasurer of the municipality or other political subdivision has been notified of the determination in writing. If it appears upon a person's complaint that an officer, agent, or employee of an establishment is violating or failing to carry out the provisions of this section, the attorney general or county attorney of the county in which the establishment is located, in addition to any other remedies, may bring an action in the name of the state against the establishment, officer, agent, or employee to enjoin compliance with this section.

Subd. 4. [TRANSPORTATION OF ANIMALS.] A licensed institution must provide, at its own expense, for the transportation of animals from the establishment to the institution and must use them only in the conduct of its scientific and educational activities.

Subd. 5. [ANNUAL LICENSE FEE.] Each licensed institution must pay to the board a license fee of \$50 for each calendar year or part of a calendar year. License fees must be deposited in the general fund of the state treasury.

Subd. 6. [REVOCATION OF LICENSE.] After 15 days' written notice and an opportunity to be heard, the board may revoke the license granted any institution if the institution has (1) violated this section, or (2) failed to comply with the conditions of the board in respect to the issuance of its license.

Subd. 7. [DISPOSITION OF DOGS AND CATS.] *Any dog or cat not redeemed by its owner after five days must either be placed for adoption under the procedures of the establishment or be euthanized humanely.*

Subd. 8. [EXPERIMENTATION PROHIBITED.] *It is unlawful for any establishment or any person acting under the authority of an establishment to sell, give away, transfer, or otherwise make available any dog or cat coming into its possession for the purpose of experimentation, teaching, or research. It is unlawful for any person, firm, corporation, association, dealer, or institution to accept any dog or cat from any person or establishment by gift, sale, or transfer for the purpose of experimentation, teaching, or research, either directly or indirectly. This section does not prohibit the owner of a dog or cat from donating the dog or cat to a legally licensed supplier of dogs or cats.*

Subd. 9. [RESTRICTION ON PETS IN RESEARCH.] *Beginning July 1, 1987, no person or institution may accept dogs or cats for the purpose of experimentation, teaching, or research from any source including dealers and establishments, whether located inside or outside Minnesota, unless the dogs or cats can be shown to have been raised specifically for the purpose of experimentation and research, and no person may sell or distribute to a destination in Minnesota or elsewhere, any dogs or cats for the purpose of experimentation, teaching, or research unless the dogs or cats can be shown to have been raised specifically for the purpose of experimentation, teaching, or research.*

Subd. 10. [NO ESTABLISHMENT TO BE A DEALER.] *No establishment or person who has an interest in or who is employed by an establishment may be a dealer.*

Subd. 11. [DEALERS TO PROVIDE PUBLIC ACCESS.] *A person may view dogs and cats in the custody of a dealer during the time the dealer is open to the public. Dealers are required to be open at least four consecutive hours between 8:00 a.m. and 7:00 p.m. on at least five of the seven days of each week.*

Subd. 12. [RULES.] The board may adopt rules consistent with this section necessary to carry out the provisions of this sec-

tion, and may, if the board considers it advisable or in the public interest, inspect or investigate any institution which has applied for a license or has been granted a license under this section.

Subd. (8) 13. [PENALTY.] It is a misdemeanor for any person or corporation to violate this section."

Delete the title and insert:

"A bill for an act relating to animals; prohibiting transfer of certain animals for use in experimentation, teaching, or research; imposing penalties; amending Minnesota Statutes 1985 Supplement, section 35.71."

With the recommendation that when so amended the bill pass.

The report was adopted.

Fjoslien from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1568, A bill for an act relating to elections; making certain changes in the ethics in government act; amending Minnesota Statutes 1984, sections 10A.01, subdivision 2; 10A.02, subdivision 11, and by adding a subdivision; 10A.04, subdivision 4a; 10A.18; 10A.20, subdivisions 3, 5, and 12; 10A.24; 10A.27, subdivision 1; and 210A.24; repealing Minnesota Statutes 1984, sections 10A.02, subdivision 11a; and 10A.25, subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 10A.01, subdivision 2, is amended to read:

Subd. 2. "Administrative action" means an action by any official, board, commission or agency of the executive branch to adopt, amend, or repeal a rule pursuant to chapter 14 (. "ADMINISTRATIVE ACTION" DOES NOT INCLUDE THE APPLICATION OR ADMINISTRATION OF AN ADOPTED RULE, EXCEPT IN CASES OF RATE SETTING, POWER PLANT AND POWERLINE SITING AND GRANTING OF CERTIFICATES OF NEED UNDER CHAPTER 116J) or an action pursuant to sections 14.57 to 14.62.

Sec. 2. Minnesota Statutes 1984, section 10A.02, is amended by adding a subdivision to read:

Subd. 8a. *In compiling and maintaining the lists and summaries required in subdivision 8, clause (g), the board may*

*maintain a group of as many lists of contributors as a candidate has filed during the year under section 10A.20, subdivisions 2, and 3, clause (b), rather than blending the lists together into a single, current alphabetical list of contributors for the year.*

Sec. 3. Minnesota Statutes 1984, section 10A.02, subdivision 11, is amended to read:

Subd. 11. The board may investigate any alleged violation of this chapter. The board shall investigate any violation which is alleged in a written complaint filed with the board and, except for alleged violations of section 10A.25 or 10A.27, shall within 30 days after the filing of the complaint make a public finding of whether or not there is probable cause to believe a violation has occurred. In the case of a written complaint alleging a violation of section 10A.25 or 10A.27, the board shall either enter a conciliation agreement or make a public finding of whether or not there is probable cause, within 60 days of the filing of the complaint. The deadline for action on any written complaint may be extended by majority vote of the board. Within a reasonable time after beginning an investigation of an individual or association, the board shall notify that individual or association of the fact of the investigation. The board shall make no finding of whether or not there is probable cause to believe a violation has occurred without notifying the individual or association of the nature of the allegations and affording an opportunity to answer those allegations. Any hearing or action of the board concerning any complaint or investigation other than a finding concerning probable cause or a conciliation agreement shall be confidential. Until the board makes a public finding concerning probable cause or enters a conciliation agreement:

(a) No member, employee or agent of the board shall disclose to any individual any information obtained by that member, employee or agent concerning any complaint or investigation except as required to carry out the investigation or take action in the matter as authorized by this chapter;

(b) (NO) *After an individual (WHO) files (OR IS THE SUBJECT OF) any written complaint or supplies information to the board concerning a complaint or investigation, the individual shall not disclose to any other individual any information supplied to or received from the board concerning the complaint or investigation; (AND)*

(c) *Any notification or investigation made under this subdivision must not be made public by the board or by any person without the written consent of the person receiving the notification or the person with respect to whom the investigation is made; and*

(d) Notwithstanding the provisions of clause (b), any individual subject to the provisions of that clause may reveal any

information to his attorney or another individual from whom he seeks advice or guidance in the matter, or to any other individual who is subject to the provisions of clause (b) with respect to the same complaint or investigation; provided that any individual to whom information concerning a complaint or investigation is revealed as provided in this clause shall not disclose that information to any other individual. Any individual who discloses information contrary to the provisions of this subdivision shall be guilty of a misdemeanor. Except as provided in section 10A.28, after the board makes a public finding of probable cause the board shall report that finding to the appropriate law enforcement authorities.

Sec. 4. Minnesota Statutes 1984, section 10A.04, subdivision 4a, is amended to read:

Subd. 4a. [STATEMENT IN LIEU OF REPORT.] If in any reporting period the lobbyist's reportable disbursements total not over \$100 and no honorarium, gift, loan, item, or benefit equal in value to \$20 or more was given or paid to any public official, a statement to that effect in lieu of the report may be filed for that period. The unreported disbursements shall be included in the report for the following period, unless the total for that period, including the carryover, is not over \$100. The (OCTOBER) *January* 15 report shall include all previously unreported disbursements, even though the total for the *preceding* year (IS) *was* not over \$100.

Sec. 5. Minnesota Statutes 1984, section 10A.18, is amended to read:

#### 10A.18 [BILLS WHEN RENDERED AND PAID.]

Every person who has a bill, charge or claim against any political committee or political fund for any expenditure shall, *to the extent practicable*, render in writing to the treasurer of the committee or fund the bill, charge or claim within 60 days after the material or service is provided. (FAILURE TO SO PRESENT THE BILL, CHARGE OR CLAIM IS A MISDEMEANOR.)

Sec. 6. Minnesota Statutes 1984, section 10A.20, subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or occupation if self-employed, of each individual, *and the name and address of each* political committee or political fund who (WITHIN THE YEAR)

has made one or more transfers or donations in kind to the political committee or political fund, including the purchase of tickets for all fund raising efforts, which in aggregate exceed (\$50) \$100 for legislative candidates or (\$100) \$200 for statewide candidates or ballot questions, together with the amount and date of each transfer or donation in kind (, AND THE AGGREGATE AMOUNT OF TRANSFERS AND DONATIONS IN KIND WITHIN THE YEAR) from each source so disclosed. A donation in kind shall be disclosed at its fair market value. An approved expenditure is listed as a donation in kind. A donation in kind is considered consumed in the reporting period in which it is received. *On each report, the names of contributors shall be listed in alphabetical order. The reports due ten days before the primary in an election year and seven days before a special primary must disclose the name of all contributors subject to disclosure under this paragraph and the aggregate amount of transfers and donations in kind from each of those contributors since the beginning of the year. The reports due ten days before a general election and seven days before a special election must disclose either the names of all contributors subject to disclosure under this paragraph and the aggregate amount of transfers and donations in kind from each of those contributors since the beginning of the year or the names of all contributors subject to disclosure under this paragraph since the most recent report and the aggregate amount of transfers and donations in kind from each of those contributors since the beginning of the year. The reports due on January 31 of each year and 30 days after a special election must disclose the names of all contributors subject to disclosure under this paragraph within the reporting year and the aggregate amount of transfers and donations in kind from each of those contributors within the reporting year;*

(c) The sum of contributions to the political committee or political fund during the reporting period;

(d) Each loan made or received by the political committee or political fund within the year in aggregate in excess of \$100, continuously reported until repaid or forgiven, together with the name, address, occupation and the principal place of business, if any, of the lender and any endorser and the date and amount of the loan. If any loan made to the principal campaign committee of a candidate is forgiven at any time or repaid by any entity other than that principal campaign committee, it shall be reported as a contribution for the year in which the loan was made;

(e) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (d);

(f) The sum of all receipts of the political committee or political fund during the reporting period;

(g) The name and address of each individual or association to whom aggregate expenditures, including approved expendi-

tures, have been made by or on behalf of the political committee or political fund within the year in excess of \$100, together with the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made, identification of the ballot question which the expenditure is intended to promote or defeat, and in the case of independent expenditures made in opposition to a candidate, the name, address and office sought for each such candidate;

(h) The sum of all expenditures made by or on behalf of the political committee or political fund during the reporting period;

(i) The amount and nature of any advance of credit incurred by the political committee or political fund, continuously reported until paid or forgiven. If any advance of credit incurred by the principal campaign committee of a candidate is forgiven at any time by the creditor or paid by any entity other than that principal campaign committee, it shall be reported as a donation in kind for the year in which the advance of credit was incurred;

(j) The name and address of each political committee, political fund, or principal campaign committee to which aggregate transfers in excess of \$100 have been made within the year, together with the amount and date of each transfer;

(k) The sum of all transfers made by the political committee, political fund, or principal campaign committee during the reporting period;

(l) For principal campaign committees only, the sum of non-campaign disbursements made in each category listed in section 10A.01, subdivision 10c during the reporting period; and

(m) The sum of all noncampaign disbursements made by the political committee, political fund, or principal campaign committee during the reporting period.

Sec. 7. Minnesota Statutes 1984, section 10A.20, subdivision 5, is amended to read:

Subd. 5. [CONTRIBUTIONS RECEIVED JUST PRIOR TO AN ELECTION.] In any statewide election any contribution or contributions from any one source totaling \$2,000 or more, or in any legislative election totaling (\$200 OR MORE) *more than \$400 to a candidate for state house of representatives or more than \$400 to a candidate for state senate*, received between the last day covered in the last report prior to an election and the election shall be reported to the board (IN PERSON OR BY TELEGRAM WITHIN 48 HOURS AFTER ITS RECEIPT AND) *in one of the following ways:*

- (1) *in person within 48 hours after its receipt;*
- (2) *by telegram or mailgram within 48 hours after its receipt; or*
- (3) *by certified mail sent within 48 hours after its receipt.*

*The 48-hour notice requirement does not apply with respect to primary elections where the statewide or legislative candidate is unopposed in that primary. The contribution shall also be reported in the next required report.*

Sec. 8. Minnesota Statutes 1984, section 10A.20, subdivision 12, is amended to read:

Subd. 12. (a) The board shall notify by certified mail or personal service any individual who fails to file a statement required by this section.

(b) If an individual fails to file a statement due January 31 within seven days after receiving a notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the eighth day after receiving notice.

(c) If an individual fails to file a statement due before any primary or election within three days of the date due, regardless of whether the individual has received any notice, the board may impose a late filing fee of \$50 per day, not to exceed \$500, commencing on the fourth day after the date the statement was due; *except that no late filing fee may be imposed for the first violation of subdivision 5.*

(d) The board shall further notify by certified mail or personal service any individual who fails to file any statement within 14 days after receiving a first notice from the board that the individual may be subject to a criminal penalty for failure to file a statement. An individual who knowingly fails to file the statement within seven days after receiving a second notice from the board is guilty of a misdemeanor.

Sec. 9. Minnesota Statutes 1984, section 10A.24, is amended to read:

#### 10A.24 [DISSOLUTION OR TERMINATION.]

*Subdivision 1.* No political committee or political fund shall dissolve until it has settled all of its debts and disposed of all its assets in excess of \$100 and filed a termination report. The termination report may be made at any time and shall include all information required in periodic reports.



*Subd. 2. Notwithstanding the provisions of subdivision 1, after mailing notice to any remaining creditors by certified mail, a political committee or political fund that has debts which were incurred more than six years previously, has disposed of all its assets, and has met the requirements of section 10A.20, subdivision 7, may file a termination report.*

Sec. 10. Minnesota Statutes 1984, section 10A.27, subdivision 1, is amended to read:

**10A.27 [(ADDITIONAL LIMITATIONS) LIMITS ON CAMPAIGN CONTRIBUTIONS AND LOANS.]**

Subdivision 1. [CONTRIBUTIONS TO A CANDIDATE.] Except as provided in subdivisions 2 and 6, no candidate shall permit his principal campaign committee to accept contributions from any individual, political committee, *principal campaign committee*, or political fund in excess of the following:

(a) To candidates for governor and lieutenant governor running together, \$60,000 in an election year for the office sought and \$12,000 in other years;

(b) To a candidate for attorney general, \$10,000 in an election year for the office sought and \$2,000 in other years;

(c) To a candidate for the office of secretary of state, state treasurer or state auditor, \$5,000 in an election year for the office sought and \$1,000 in other years;

(d) To a candidate for state senator, \$1,500 in an election year for the office sought and \$300 in other years; and

(e) To a candidate for state representative, \$750 in an election year for the office sought and \$150 in the other year.

**Sec. 11. [10A.271] [CONTRIBUTIONS; ADJUSTMENT BY CONSUMER PRICE INDEX.]**

*Subdivision 1. [CALCULATION.] The dollar amounts provided in section 10A.27, subdivision 1, shall be adjusted for the general election year 1988 and subsequent general election years as provided in this section. By June 1 of the general election year, the executive director of the board shall determine the percentage increase in the consumer price index from April of the last general election year to April of the year in which the determination is made. The dollar amounts used for the preceding general election year shall be multiplied by that percentage. The product of the calculation shall be added to each dollar amount to produce the dollar limitations to be in effect for the next general election. The product shall be rounded up to the next highest whole dollar. The index used shall be the revised consumer price index for all*

*urban consumers for the St. Paul-Minneapolis metropolitan area prepared by the United States Department of Labor with 1967 as a base year.*

*Subd. 2. [1986 ADJUSTMENT.] The dollar amounts provided in section 10A.27, subdivision 1, shall be adjusted for 1986 in the manner provided in subdivision 1, except that the percentage increase in the consumer price index shall be determined from April of 1974 to April of 1986, and the adjustment shall be calculated by the executive director by June 1, 1986.*

Sec. 12. Minnesota Statutes 1984, section 210A.24, is amended to read:

**210A.24 [BILLS, WHEN RENDERED (AND PAID).]**

Every person who (SHALL HAVE) *has* any bill, charge, or claim upon or against any personal campaign (OR) *committee, party committee, political fund, or (ANY) candidate (,) for any disbursement made, services rendered, or thing of value furnished, for political purposes, or incurred in any manner in relation to any primary or election, shall, to the extent practicable, render in writing to (SUCH) that committee, fund, or candidate (SUCH) the bill, charge, or claim within (TEN) 60 days after the day of the primary or election in connection with which (SUCH) the bill, charge, or claim was incurred. (NO CANDIDATE AND NO PERSONAL CAMPAIGN OR PARTY COMMITTEE SHALL PAY ANY BILL, CHARGE, OR CLAIM SO INCURRED PRIOR TO ANY PRIMARY OR ELECTION, WHICH IS NOT SO PRESENTED WITHIN TEN DAYS AFTER SUCH PRIMARY OR ELECTION.)*

Sec. 13. [REPEALER.]

*Minnesota Statutes 1984, section 10A.25, subdivision 7, is repealed.*

Sec. 14. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to elections; making certain changes in the ethics in government act; amending Minnesota Statutes 1984, sections 10A.01, subdivision 2; 10A.02, subdivision 11, and by adding a subdivision; 10A.04, subdivision 4a; 10A.18; 10A.20, subdivisions 3, 5, and 12; 10A.24; 10A.27, subdivision 1; and 210A.24; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1984, section 10A.25, subdivision 7."

With the recommendation that when so amended the bill pass.

The report was adopted.

Onnen from the Committee on Health and Human Services to which was referred:

H. F. No. 1594, A bill for an act relating to human services; changing provisions of the aid to families with dependent children program; redefining human services assistance terms; clarifying assistance provisions; excluding certain property and income for assistance purposes; establishing a procedure for collection of overpayments; excluding certain women from work registration; changing medical assistance length of eligibility; allowing a \$50 disregard for child support; clarifies assistance application and issuance procedures; clarifying the county of responsibility; amending Minnesota Statutes 1984, sections 256.12, subdivision 20; 256.73, subdivisions 2, 3a, and 6; 256.736, subdivisions 3 and 4; 256.74, subdivisions 1, 1a, and 2; 256.76, subdivision 1; 256.78; 256.79; and 256.871, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [144.127] [INVESTIGATION OF ACQUIRED IMMUNE DEFICIENCY SYNDROME.]

*Acquired immune deficiency syndrome shall be a reportable disease pursuant to Minnesota Rules, parts 4605.7000 to 4605.7800. The commissioner shall investigate the occurrence of cases, suspected cases, or carriers of acquired immune deficiency syndrome for the purpose of verification of the existence of disease, ascertaining the source of the disease causing agent, identifying unreported cases, locating contacts of cases, identifying those at risk of disease, and determining necessary control measures. Data on individuals maintained by the commissioner pursuant to an investigation or treatment of acquired immune deficiency syndrome are classified as confidential under section 13.38. Access to this data is limited exclusively to employees of the commissioner whose work assignments reasonably require access, the data subject's personal physicians, and local health officers as defined by section 145.01. Data on individuals who have been diagnosed as having acquired immune deficiency syndrome, who are suspected of having this syndrome, or who have been identified as a potential source of infection shall not be released to law enforcement officers, employers, landlords, insurers, or any other person or organization except those persons specifically identified in this section and section 13.38. To the extent necessary to conduct epidemiologic investigations, the commissioner may release data to the subject of the data.*

**Sec. 2. [144.671] [CANCER SURVEILLANCE SYSTEM; PURPOSE.]**

*The commissioner of health shall establish a statewide population-based cancer surveillance system. The purpose of this system is to:*

*(1) monitor incidence trends of cancer to detect potential public health problems, predict risks, and assist in investigating cancer clusters;*

*(2) more accurately target intervention resources for communities and patients and their families;*

*(3) inform health professionals and citizens about risks, early detection, and treatment; and*

*(4) promote high quality research to provide better information for cancer control and to address public concerns and questions about cancer.*

**Sec. 3. [144.672] [DUTIES OF COMMISSIONER; RULES.]**

*Subdivision 1. [RULE AUTHORITY.] The commissioner of health shall collect cancer incidence information, analyze this information, and conduct special studies designed to determine the potential public health significance of an increase in cancer incidence.*

*The commissioner shall adopt rules to administer the system, collect information, and distribute data. The rules must include, but not be limited to, the following:*

*(1) the type of data to be reported;*

*(2) standards for reporting specific types of data;*

*(3) rates of payment allowed to hospitals, pathologists, and registry systems to defray their costs in providing information to the system; and*

*(4) criteria related to providing access to the data and fee schedules for charges to researchers and other citizens who request data.*

*Subd. 2. [BIANNUAL REPORT REQUIRED.] The commissioner of health shall prepare and transmit to the governor and to members of the legislature a biannual report on the incidence of cancer in Minnesota and a compilation of summaries and reports from special studies and investigations performed to*

*determine the potential public health significance of an increase in cancer incidence, together with any findings and recommendations. The first report shall be delivered by February 1987 with subsequent reports due in February of each of the following odd-numbered years.*

Sec. 4. Minnesota Statutes 1984, section 144.68, is amended to read:

**144.68 [RECORDS AND REPORTS REQUIRED.]**

Subdivision 1. [PERSON PRACTICING HEALING ARTS.] Every person licensed to practice the healing arts in any form, upon request of the (STATE) commissioner of health, shall prepare and forward to the commissioner, in the manner and at such times as he designates, a detailed record of each case of malignant disease treated or seen by him professionally.

Subd. 2. [HOSPITALS AND SIMILAR INSTITUTIONS.] Every hospital, (SANATORIUM,) nursing home, or other institution for the hospitalization, *diagnosis*, or care of human beings, upon request of the (STATE) commissioner of health, shall prepare and forward to the commissioner, in the manner and at the times that he designates, a detailed record of each case of malignant disease (HAVING BEEN THEREIN).

Subd. 3. [(INFORMATION) REPORTING WITHOUT LIABILITY.] The furnishing of the information required under subdivisions 1 and 2 shall not subject the person, hospital, (SANATORIUM,) nursing home, or other place furnishing the information, to any action for damages or other relief.

Sec. 5. Minnesota Statutes 1984, section 144.69, is amended to read:

**144.69 [(INFORMATION NOT AVAILABLE TO THE PUBLIC) CLASSIFICATION OF DATA ON INDIVIDUALS.]**

(NO SUCH REPORT, OR PART THEREOF, NOR ANY COPY OF THE SAME OR PART THEREOF, SHALL BE OPEN TO THE PUBLIC, NOR SHALL ANY OF THE CONTENTS THEREOF BE DISCLOSED, IN ANY MANNER, BY ANY OFFICIAL OR CLERK OR OTHER EMPLOYEE OR PERSON HAVING ACCESS THERETO, BUT ALL SUCH INFORMATION) *Data collected by the cancer surveillance system shall be confidential and may only be used for the purposes set forth in sections (144.66 TO) 2 and 3 and 144.68 and 144.69. And any (SUCH) disclosure other than is provided for in sections (144.66 TO) 2 and 3 and 144.68 and 144.69, is (HEREBY) declared to be a misdemeanor and punishable as such. (NO) As part of an epidemiologic investigation an officer or employee of the (BOARD SHALL) commissioner of health may interview*

(ANY PATIENT) *patients* named in any such report, (NOR A RELATIVE) *or relatives* of any such patient, (UNLESS) *only after the consent of the attending physician* (AND) *or surgeon* is (FIRST) obtained. *To the extent necessary to conduct epidemiologic studies, the commissioner may release data to the subject of the data.*

Sec. 6. Minnesota Statutes 1985 Supplement, section 256.01, subdivision 2, is amended to read:

Subd. 2. [SPECIFIC POWERS.] Subject to the provisions of section 241.021, subdivision 2, the commissioner of human services shall:

(1) Administer and supervise all forms of public assistance provided for by state law and other welfare activities or services as are vested in the commissioner.

(2) Administer and supervise all child welfare activities; promote the enforcement of laws protecting handicapped, dependent, neglected and delinquent children, and children born to mothers who were not married to the children's fathers at the times of the conception nor at the births of the children; license and supervise child-caring and child-placing agencies and institutions; supervise the care of children in boarding and foster homes or in private institutions; and generally perform all functions relating to the field of child welfare now vested in the state board of control.

(3) Administer and supervise all noninstitutional service to handicapped persons, including those who are visually impaired, hearing impaired, or physically impaired or otherwise handicapped. The commissioner may provide and contract for the care and treatment of qualified indigent children in facilities other than those located and available at state hospitals when it is not feasible to provide the service in state hospitals.

(4) Assist and actively cooperate with other departments, agencies and institutions, local, state, and federal, by performing services in conformity with the purposes of Laws 1939, chapter 431.

(5) Act as the agent of and cooperate with the federal government in matters of mutual concern relative to and in conformity with the provisions of Laws 1939, chapter 431, including the administration of any federal funds granted to the state to aid in the performance of any functions of the commissioner as specified in Laws 1939, chapter 431, and including the promulgation of rules making uniformly available medical care benefits to all recipients of public assistance, at such times as the federal government increases its participation in assistance expenditures for medical care to recipients of public assistance, the

cost thereof to be borne in the same proportion as are grants of aid to said recipients.

(6) Establish and maintain any administrative units reasonably necessary for the performance of administrative functions common to all divisions of the department.

(7) Administer and supervise any additional welfare activities and services as are vested by law in the department.

(8) The commissioner is designated as guardian of both the estate and the person of all the wards of the state of Minnesota, whether by operation of law or by an order of court, without any further act or proceeding whatever, except as to persons committed as mentally retarded.

(9) Act as coordinating referral and informational center on requests for service for newly arrived immigrants coming to Minnesota.

(10) The specific enumeration of powers and duties as hereinabove set forth shall in no way be construed to be a limitation upon the general transfer of powers herein contained.

(11) Establish county, regional, or statewide schedules of maximum fees and charges which may be paid by local agencies for medical, dental, surgical, hospital, nursing and nursing home care and medicine and medical supplies under all programs of medical care provided by the state and for congregate living care under the income maintenance programs.

(12) Have the authority to conduct and administer experimental projects to test methods and procedures of administering assistance and services to recipients or potential recipients of public welfare. To carry out such experimental projects, it is further provided that the commissioner of human services is authorized to waive the enforcement of existing specific statutory program requirements, regulations, and standards in one or more counties. The order establishing the waiver shall provide alternative methods and procedures of administration, shall not be in conflict with the basic purposes, coverage, or benefits provided by law, and in no event shall the duration of a project exceed two years. It is further provided that no order establishing an experimental project as authorized by the provisions of this section shall become effective until the following conditions have been met:

(a) The proposed comprehensive plan including estimated project costs and the proposed order establishing the waiver shall be filed with the secretary of the senate and chief clerk of the house of representatives at least 60 days prior to its effective date.

(b) The secretary of health, education, and welfare of the United States has agreed, for the same project, to waive state plan requirements relative to statewide uniformity.

(c) A comprehensive plan, including estimated project costs, shall be approved by the legislative advisory commission and filed with the commissioner of administration.

(13) In accordance with federal requirements establish procedures to be followed by local welfare boards in creating citizen advisory committees, including procedures for selection of committee members.

(14) Allocate federal fiscal disallowances or sanctions which are based on quality control error rates for the aid to families with dependent children, medical assistance, or food stamp program in the following manner:

(a) One-half of the total amount of the disallowance shall be borne by the county boards responsible for administering the programs and shall be shared by each county board in the same proportion as that county's expenditures for the sanctioned program are to the total of all counties' expenditures for that program. Each county shall pay its share of the disallowance to the state of Minnesota. When a county fails to pay the amount due hereunder, the commissioner may deduct the amount from reimbursement otherwise due the county, or the attorney general, upon the request of the commissioner, may institute civil action to recover the amount due.

(b) Notwithstanding the provisions of paragraph (a), if the disallowance results from knowing noncompliance by one or more counties with a specific program instruction, and that knowing noncompliance is a matter of official county board record, the commissioner may require payment or recover from the county or counties, in the manner prescribed in paragraph (a), an amount equal to the portion of the total disallowance which resulted from the noncompliance, and may distribute the balance of the disallowance according to paragraph (a).

(15) Develop and implement special projects that maximize reimbursements and result in the recovery of money to the state. For the purpose of recovering state money, the commissioner may enter into contracts with third parties. Any recoveries that result from projects or contracts entered into under this paragraph shall be deposited in the state treasury and credited to a special account until the balance in the account reaches \$400,000. When the balance in the account exceeds \$400,000, the excess shall be transferred and credited to the general fund. All money in the account is appropriated to the commissioner for the purposes of this paragraph.



(16) *Screen individuals for eligibility for social security disability benefits and assist them in applying to the social security administration for disability benefits. The goal of screening under this paragraph is to maximize the amount of money coming into the state. Screening shall begin with nursing home residents under the age of 65, long-term recipients of workers' compensation, mentally retarded people with parents aged 62 or over, recipients of general assistance who have mental or physical disabilities, and other target populations likely to contain significant numbers of people eligible for social security.*

Sec. 7. Minnesota Statutes 1984, section 256B.042, subdivision 2, is amended to read:

Subd. 2. The state agency may perfect and enforce its lien by following the procedures set forth in sections 514.69, 514.70 and 514.71, (EXCEPT THAT IT SHALL HAVE ONE YEAR FROM THE DATE WHEN THE LAST ITEM OF MEDICAL CARE WAS FURNISHED IN WHICH TO FILE) *and its verified lien statement (, AND THE STATEMENT) shall be filed with the appropriate clerk of court in the county of financial responsibility. The verified lien statement shall contain the following: the name and address of the person to whom medical care was furnished, the date of injury, the name and address of the vendor or vendors furnishing medical care, the dates of the service, the amount claimed to be due for the care, and, to the best of the state agency's knowledge, the names and addresses of all persons, firms or corporations claimed to be liable for damages arising from the injuries. This section shall not affect the priority of any attorney's lien. The state agency shall not be subject to any limitations period referred to in section 514.69 or 514.71 and shall have one year from the date notice is received pursuant to subdivision 4 of this section to file its verified lien statement and may commence its action within six years of filing the lien.*

Sec. 8. Minnesota Statutes 1984, section 256B.042, subdivision 3, is amended to read:

Subd. 3. To recover under this section the attorney general, or the appropriate county attorney acting at the direction of the attorney general, shall represent the state agency *and may initiate and prosecute any action against a person, firm, or corporation who may be liable to the person to whom the care was furnished.*

Sec. 9. Minnesota Statutes 1984, section 256B.042, is amended by adding a subdivision to read:

Subd. 4. *The state agency shall be given notice of monetary claims against a person, firm, or corporation who may be liable to pay part or all of the cost of medical care when the state agency has paid for or become liable for the cost of that care. Notice shall be given as follows:*

(a) Applicants for medical assistance shall notify the agency of any possible claims upon submitting the application. Recipients of medical assistance shall notify the agency of any possible claims when those claims arise.

(b) A person providing medical care services to a person receiving medical assistance shall notify the agency whenever the person has reason to believe that a third party may be liable for payment of the cost of medical care.

(c) An attorney representing an applicant or recipient of medical assistance on a claim to which the state agency has a lien under this section shall notify the agency of the claim of which the attorney has knowledge prior to filing the claim, commencing an action, or negotiating a settlement offer.

Notice given to the local agency is not sufficient to meet the requirements of paragraph (b) or (c).

Sec. 10. Minnesota Statutes 1984, section 256B.042, is amended by adding a subdivision to read:

*Subd. 5. Upon any judgment, award, or settlement of cause of action upon which the state agency has filed its lien, the lien shall be satisfied in full, subject only to a pro rata share of attorney's fees and costs incurred in the pursuit of the cause of action. However, any recipient who initiates an action to recover damages or compensation shall receive a net amount of no less than one-third of the total amount recovered.*

Sec. 11. [REPEALER.]

*Minnesota Statutes 1984, sections 144.66 and 144.67, are repealed.*

Sec. 12. [APPROPRIATION.]

*\$..... is appropriated from the general fund to the commissioner of health to implement the provisions of sections 2 to 5, to establish a statewide cancer surveillance system, to develop and maintain a computerized record linkage system, to manage and analyze the data, and to conduct follow-up investigations on clusters of disease and unusual case distributions identified by the system, to be available until June 30, 1987.*

Sec. 13. [EFFECTIVE DATE.]

*Sections 2 to 5, 11, and 12 are effective the day following enactment."*

Delete the title and insert:

"A bill for an act relating to health and human services; providing for confidentiality in investigations; establishing a state-wide cancer surveillance system; providing for rule authority to administer the system and collect and distribute data; directing screening of individuals eligible for social security disability; strengthening the state's power to recover medical assistance payments from third parties; requiring an obligor to name minor children as beneficiaries under medical and dental insurance available through the obligor's employer; requiring spousal coverage when available at no cost; providing that order for medical support is binding on employer; requiring insurance company to notify obligee when coverage is terminated; requiring obligor who fails to maintain medical insurance to pay for medical care; transferring licensure responsibilities for certain services to the commissioner of health; appropriating money; amending Minnesota Statutes 1984, sections 144.68; 144.69; 256B.042, subdivisions 2, 3, and by adding subdivisions; Minnesota Statutes 1985 Supplement, section 256.01, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 1984, sections 144.66 and 144.67."

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

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 1757, A bill for an act relating to courts; altering the responsibility for the procedure to be followed when filing a change of name with the county recorder; eliminating the limits on the amount of bond to be posted by the clerk of court; prohibiting employees of the clerk's office from practicing law in the court in which they are employed; amending Minnesota Statutes 1984, section 259.11; and Minnesota Statutes 1985 Supplement, section 485.01.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Erickson from the Committee on Education to which was referred:

H. F. No. 1766, A bill for an act relating to education; making a technical correction to the capital expenditure aid provision; amending Minnesota Statutes 1985 Supplement, section 124.245, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1985 Supplement, section 124.225, subdivision 7b, is amended to read:

Subd. 7b. [INFLATION FACTORS.] The adjusted authorized predicted cost per FTE determined for a district under subdivision 7a for the base year shall be increased by 10.3 percent to determine the district's aid entitlement per FTE for the 1984-1985 school year, by 8.9 percent to determine the district's aid entitlement per FTE for the 1985-1986 school year, and by (6.7) 6.0 percent to determine the district's aid entitlement per FTE for the 1986-1987 school year.

Sec. 2. Minnesota Statutes 1985 Supplement, section 124.245, subdivision 1, is amended to read:

Subdivision 1. [BASIC COMPUTATION.] (a) Each year the state shall pay a school district the difference by which an amount equal to \$90 per pupil unit in that school year or, in districts where the number of actual pupil units has increased from the prior year, \$95 per pupil unit in that school year, exceeds the amount raised by seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. To qualify for aid pursuant to this subdivision in any school year, a district must (HAVE LEVIED SEVEN EARC MILLS FOR USE FOR CAPITAL EXPENDITURES IN THAT YEAR) *levy* pursuant to section 275.125, subdivision 11a *for use in that year*.

(b) The aid under clause (a) for any district which operates an approved secondary vocational education program or an approved senior secondary industrial arts program shall be computed using a dollar amount per pupil unit which is \$5 higher than the amount specified in clause (a).

(c) If the sum of a district's capital expenditure levy under section 275.125, subdivision 11a, attributable to any school year and its capital expenditure equalization aid, if any, under this subdivision for that school year exceeds \$90 per pupil unit or, in districts where the number of actual pupil units has increased from the prior year, \$95 per pupil unit, the amount of the excess may be expended only for the purpose of capital expenditures for equipment for secondary vocational education programs or senior secondary industrial arts programs.

Sec. 3. Minnesota Statutes 1984, section 124.32, subdivision 1c, is amended to read:

Subd. 1c. [FOUNDATION AID FORMULA ALLOWANCE.] For purposes of this section, "foundation aid formula allowance" shall have the meaning attributed to it in section 124A.02, subdivision 9, and "summer school revenue allowance" shall have the meaning attributed to it in section 124.201. For the purposes of computing foundation aid formula allowances pursuant to this section, each handicapped child shall be counted as prescribed in section 124.17, subdivision 1 (, CLAUSE (1) OR (2)).

Sec. 4. Minnesota Statutes 1985 Supplement, section 124A.02, subdivision 9, is amended to read:

Subd. 9. [FORMULA ALLOWANCE.] "Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. (THE FORMULA ALLOWANCE SHALL BE \$1,475 FOR THE 1983 PAYABLE 1984 LEVIES AND FOR FOUNDATION AID FOR THE 1984-1985 SCHOOL YEAR.) The formula allowance shall be \$1,585 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year. The formula allowance shall be \$1,690 for the 1985 payable 1986 levies and for foundation aid for the 1986-1987 school year. *The formula allowance is \$1,690 for the 1986 payable 1987 levies and for foundation aid for the 1987-1988 school year.*

Sec. 5. Minnesota Statutes 1984, section 124A.02, subdivision 15, is amended to read:

Subd. 15. [PUPIL UNITS, ACTUAL.] "Actual pupil units" means pupil units identified in section 124.17, subdivision 1 (, CLAUSES (1) AND (2)).

Sec. 6. Minnesota Statutes 1985 Supplement, section 124A.03, subdivision 1a, is amended to read:

Subd. 1a. [ESTABLISHMENT OF BASIC MAINTENANCE MILL RATE.] (a) The commissioner of revenue shall establish the basic maintenance mill rate and certify it to the commissioner of education by August 1 of each year for levies payable in the following year. The established basic maintenance mill rate shall be a rate, rounded up to the nearest tenth of a mill, which when applied to the adjusted assessed valuation of taxable property for each school district under subdivision 1 or 3, as applicable, raises the total amount specified in this section.

(b) The basic maintenance mill rate for the 1985 payable 1986 levies and for foundation aid for the 1986-1987 school year shall be established at a rate that raises a total of \$702,000,000.

*The basic maintenance mill rate for the 1986 payable 1987 levies and for foundation aid for the 1987-1988 school year shall be set at a rate that raises \$702,000,000. The basic maintenance mill rate computed by the commissioner of revenue must not be recomputed due to changes or corrections made in a school district's adjusted assessed valuation after the mill rate has been certified to the department of education pursuant to paragraph (a).*

Sec. 7. Minnesota Statutes 1985 Supplement, section 129C.10, subdivision 5, is amended to read:

Subd. 5. [RESOURCE CENTER.] (BEGINNING IN THE 1985-1986 SCHOOL YEAR, THE RESOURCE CENTER SHALL OFFER PROGRAMS THAT ARE DIRECTED AT IMPROVING ARTS EDUCATION IN ELEMENTARY AND SECONDARY SCHOOLS THROUGHOUT THE STATE. THE PROGRAMS OFFERED SHALL INCLUDE AT LEAST SUMMER INSTITUTES OFFERED TO PUPILS IN VARIOUS REGIONS OF THE STATE, INSERVICE WORKSHOPS FOR TEACHERS, AND LEADERSHIP DEVELOPMENT PROGRAMS FOR TEACHERS.) The board shall establish a resource center advisory council composed of elementary and secondary arts educators, representatives from post-secondary educational institutions, department of education, state arts board, regional arts councils, educational cooperative service units, school district administrators, parents, and other organizations involved in arts education. The advisory council shall include representatives from a variety of arts disciplines and from various areas of the state. The advisory council shall advise the board about the activities of the center. Programs offered through the resource center shall promote and develop arts education programs offered by school districts and arts organizations and shall assist school districts and arts organizations in developing innovative programs. The board may contract with nonprofit arts organizations to provide programs through the resource center. The advisory council shall advise the board on contracts and programs related to the operation of the resource center.

Sec. 8. Minnesota Statutes 1985 Supplement, section 298.28, subdivision 1, is amended to read:

Subdivision 1. [DISTRIBUTION.] The proceeds of the taxes collected under section 298.24, except the tax collected under section 298.24, subdivision 2, shall, upon certification of the commissioner of revenue, be allocated as follows:

(1) 2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton," to the city or town in the county in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more

than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner.

(2) (a) 12.5 cents per taxable ton, less any amount distributed under clause (7), paragraph (a), and paragraph (b) of this clause, to be distributed as provided in section 298.282.

(b) An amount annually certified by the county auditor of a county containing a taconite tax relief area within which there is an organized township if, as of January 2, 1982, more than 75 percent of the assessed valuation of the township consists of iron ore. The amount will be the portion of a township's certified levy equal to the proportion of (1) the difference between 50 percent of the township's January 2, 1982, assessed value and its current assessed value to (2) the sum of its current assessed value plus the difference determined in (1). The county auditor shall extend the township's levy against the sum of the township's current assessed value plus the difference between 50 percent of its January 2, 1982, assessed value and its current assessed value. If the current assessed value of the township exceeds 50 percent of the township's January 2, 1982, assessed value, this clause shall not apply.

(3) 29 cents per taxable ton plus the increase provided in paragraph (c) to qualifying school districts to be distributed, based upon the certification of the commissioner of revenue, as follows:

(a) Six cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The distribution must be based on the apportionment formula prescribed in clause (1).

(b) 23 cents per taxable ton, less any amount distributed under part (d), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its certified levy for the prior year, computed pursuant to sections 124A.03, 124A.06, subdivision 3a, 124A.08,

subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 275.125, comprises of the sum of certified levies for the prior year for all qualifying districts, computed pursuant to sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 275.125. For purposes of distributions pursuant to this part, certified levies for the prior year computed pursuant to sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 275.125 shall not include the amount of any increased levy authorized by referendum pursuant to section 124A.03, subdivision 2.

(c) On July 15, in years prior to 1988, an amount equal to the increase derived by increasing the amount determined by clause (3)(b) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in clause (3)(b) where a levy increase pursuant to section 124A.03, subdivision 2, is authorized by referendum, according to the following formula. On July 15, 1988 and subsequent years, the increase over the amount established for the prior year shall be determined according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1, paragraph (a). Each district shall receive the product of:

(i) \$150 times the pupil units identified in section 124.17, subdivision 1, (CLAUSES (1) AND (2),) enrolled in the second previous year or the 1983-1984 school year, whichever is greater, less the product of 1-3/4 mills times the district's taxable valuation in the second previous year; times

(ii) the lesser of:

(A) one, or

(B) the ratio of the amount certified pursuant to section 124A.03, subdivision 2, in the previous year, to the product of 1-3/4 mills times the district's taxable valuation in the second previous year.

If the total amount provided by clause (3)(c) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to clause (3)(c) shall not be applied to reduce foundation aids which the district is entitled to receive pursuant to section 124A.02 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of iron range resources and rehabilitation who shall



deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in clause (9).

(d) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

(4) 19.5 cents per taxable ton to counties to be distributed, based upon certification by the commissioner of revenue, as follows:

(a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The apportionment formula prescribed in clause (1) is the basis for the distribution.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be paid to the county in which the power plant is located.

(c) Four cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 17.75 cents per taxable ton, less any amount required to be distributed under part (b), to St. Louis county acting as the counties' fiscal agent, to be distributed as provided in sections 273.134 to 273.136.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be paid to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.

(6) Three cents per taxable ton shall be paid to the iron range resources and rehabilitation board for the purposes of section 298.22. The amount determined in this clause shall be

increased in 1981 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1 and shall be increased in 1988 and subsequent years according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1. The amount distributed pursuant to this clause shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this clause may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

(7) (a) .20 cent per taxable ton shall be paid to the range association of municipalities and schools, for the purpose of providing an areawide approach to problems which demand coordinated and cooperative actions and which are common to those areas of northeast Minnesota affected by operations involved in mining iron ore and taconite and producing concentrate therefrom, and for the purpose of promoting the general welfare and economic development of the cities, towns and school districts within the iron range area of northeast Minnesota.

(b) 1.5 cents per taxable ton shall be paid to the northeast Minnesota economic protection trust fund.

(8) the amounts determined under clauses (4)(a), (4)(c), (5), and (7)(b) shall be increased in 1979 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. Those amounts shall be increased in 1988 and subsequent years in the same proportion as the increase in the implicit price deflator as provided in section 298.24, subdivision 1.

(9) the proceeds of the tax imposed by section 298.24 which remain after the distributions and payments in clauses (1) to (8), as certified by the commissioner of revenue, and parts (a) and (b) of this clause have been made, together with interest earned on all money distributed under this subdivision prior to distribution, shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection trust fund created in section 298.292 as follows: Two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection trust fund. The proceeds shall be placed in the respective special accounts.

(a) There shall be distributed to each city, town, school district, and county the amount that they received under section 294.26 in calendar year 1977; provided, however, that the amount distributed in 1981 to the unorganized territory number 2 of Lake county and the town of Beaver Bay based on the between-terminal trackage of Erie Mining Company will be distributed in 1982 and subsequent years to the unorganized terri-

tory number 2 of Lake county and the towns of Beaver Bay and Stony River based on the miles of track of Erie Mining Company in each taxing district.

(b) There shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977 under section 298.22.

On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of revenue an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. The commissioner of revenue shall annually on or before October 10 report an estimated distribution amount to each taxing district and the officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such county or city in the year in which such estimate is made, and payable in the next ensuing calendar year, except that one cent per taxable ton of the amount distributed under clause (4)(c) shall not be deducted in calculating the permissible levy. In any calendar year in which a general property tax levy subject to sections 275.50 to 275.59 has been made, if the taxes distributable to any such county or city are greater than the amount estimated by the commissioner to be paid to any such county or city in such year, the excess of such distribution shall be held in a special fund by the county or city and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.50 to 275.59, of such county or city payable in such year. If the amounts distributable to any such county or city after final determination by the commissioner of revenue under this section are less than the amounts by which a taxing district's levies were reduced pursuant to this section, such county or city may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

Sec. 9. Minnesota Statutes 1984, section 364.09, is amended to read:

**364.09 [LAW ENFORCEMENT; EXCEPTION.]**

This chapter shall not apply to the practice of law enforcement (OR), to eligibility for a family day care license or a family

foster care license, or to eligibility for school bus driver endorsements. Nothing in this section shall be construed to preclude the Minnesota police and peace officers training board from recommending policies set forth in this chapter to the attorney general for adoption in his discretion to apply to law enforcement.

Sec. 10. Laws 1985, First Special Session chapter 12, article 1, section 36, subdivision 3, is amended to read:

Subd. 3. [SUMMER PROGRAMS.] For summer program aid pursuant to Minnesota Statutes, section 124A.033, subdivision 3, (AND FOR SUMMER INSTRUCTIONAL PROGRAM AID PURSUANT TO SECTION 124A.033, SUBDIVISION 3A,) there is appropriated:

\$7,878,600 . . . . . 1986,

(\$7,400,000) \$612,000 . . . . . 1987.

The appropriation for fiscal year 1986 is for aid for programs in summer 1985. The appropriation for fiscal year 1987 is for aid *only* for programs in summer 1986 *which are provided to pupils who are handicapped and who are appropriately served at level 4, 5, or 6 of the continuum of placement model described in state board rules.* Summer educational improvement aid shall not be paid after fiscal year 1986.

Sec. 11. Laws 1985, First Special Session chapter 12, article 2, section 15, subdivision 2, is amended to read:

Subd. 2. [TRANSPORTATION AID.] For transportation aid there is appropriated:

\$88,993,600 . . . . . 1986,

(\$84,587,100) \$82,638,000 . . . . . 1987.

(a) The appropriation for 1986 includes \$12,284,400 for aid for fiscal year 1985 payable in fiscal year 1986 and \$76,709,200 for fiscal year 1986 payable in fiscal year 1986.

(b) The appropriation for 1987 includes \$13,536,900 for aid for fiscal year 1986 payable in fiscal year 1987 and (\$71,050,200) \$69,101,100 for fiscal year 1987 payable in fiscal year 1987.

(c) The appropriations are based on aid entitlements of \$90,246,100 for fiscal year 1986 and (\$83,588,400) \$81,295,400 for fiscal year 1987.

Sec. 12. Laws 1985, First Special Session chapter 12, article 3, section 28, subdivision 10, is amended to read:

Subd. 10. [OFFICE ON TRANSITION SERVICES.] For the interagency office on transition services there is appropriated:

\$75,000 ..... 1986,

(\$85,000) \$81,000 ..... 1987.

Sec. 13. Laws 1985, First Special Session chapter 12, article 4, section 11, subdivision 6, is amended to read:

Subd. 6. [DEPARTMENT ASSISTANCE FOR EARLY CHILDHOOD FAMILY EDUCATION.] For the department to provide assistance to districts in planning, implementing, and evaluating early childhood family education programs there is appropriated:

\$35,000 ..... 1986,

(\$35,000) \$33,250 ..... 1987.

The department shall use the appropriation for personnel service contracts and expenses of conferences and workshops.

Sec. 14. Laws 1985, First Special Session chapter 12, article 5, section 8, is amended to read:

Sec. 8. [REPORT; 1987 LEGISLATURE.]

By February 1 of 1986 (AND 1987), the board of the school of the arts and resource center shall report to the education committees of the legislature on the activities of the board, activities of the resource center, and the planning for the school of the arts. The 1987 (REPORT SHALL INCLUDE RECOMMENDATIONS ABOUT CONTINUATION OF THE) *legislature shall examine the feasibility of funding the state school of the arts and resource center.*

Sec. 15. Laws 1985, First Special Session chapter 12, article 5, section 10, subdivision 2, is amended to read:

Subd. 2. [COMPREHENSIVE ARTS PLANNING PROGRAMS.] For comprehensive arts planning programs there is appropriated:

\$100,000 ..... 1986,

(\$100,000) \$96,875 ..... 1987.

The unencumbered balance remaining from fiscal year 1986 shall not cancel but shall be available for fiscal year 1987.

Sec. 16. Laws 1985, First Special Session chapter 12, article 5, section 10, subdivision 4, is amended to read:

Subd. 4. [SCHOOL OF THE ARTS AND RESOURCE CENTER.] For the purpose of making a grant to the Minnesota school of the arts and resource center there is appropriated:

\$491,000 ..... 1986(,)

(\$2,170,000 ..... 1987).

The unencumbered balance remaining from fiscal year 1986 shall not cancel but shall be available for fiscal year 1987.

For fiscal (YEARS) *year* 1986 (AND 1987) a complement of 13 is authorized for the school of the arts and resource center. Of this complement, eight are in the categories of director, coordinator, and department chairs.

Sec. 17. Laws 1985, First Special Session chapter 12, article 6, section 28, subdivision 11, is amended to read:

Subd. 11. [GIFTED STUDY.] For the gifted education program study there is appropriated:

(\$35,000) \$34,125 ..... 1986.

The appropriation is available until June 30, 1987. A portion of the appropriation may be used for administrative expenses.

Sec. 18. Laws 1985, First Special Session chapter 12, article 6, section 28, subdivision 17, is amended to read:

Subd. 17. [COUNCIL ON QUALITY EDUCATION; VENTURE FUND GRANTS.] For the council on quality education venture fund grants pursuant to Minnesota Statutes, sections 129B.01 to 129B.05, there is appropriated:

\$717,700 ..... 1986,

(\$450,000) \$250,000 ..... 1987.

The appropriation for fiscal year 1986 includes \$122,400 for grants for fiscal year 1985 payable in fiscal year 1986 and \$595,300 for grants for fiscal year 1986 payable in fiscal year 1986.

The appropriation for fiscal year 1987 includes \$105,100 for grants for fiscal year 1986 payable in fiscal year 1987 and (\$344,900) \$144,900 for grants for fiscal year 1987 payable in fiscal year 1987.

Any unexpended balance remaining from the appropriations in this subdivision for 1986 shall not cancel and shall be available for the second year of the biennium.

The appropriations are based on entitlements of \$700,400 for fiscal year 1986 and (\$405,800) \$205,800 for fiscal year 1987.

The council may maintain a complement of up to three professionals and one clerical staff for fiscal year 1986 (AND TWO PROFESSIONALS AND ONE CLERICAL STAFF FOR FISCAL YEAR 1987).

Sec. 19. Laws 1985, First Special Session chapter 12, article 6, section 28, subdivision 20, is amended to read:

Subd. 20. [SECONDARY VOCATIONAL STUDENT ORGANIZATIONS.]

For aid for secondary vocational student organizations there is appropriated:

\$60,000 ..... 1986,

(\$60,000) \$57,000 ..... 1987.

The appropriations for fiscal years 1986 and 1987 are available for expenditure if the commissioner of education authorizes an additional \$160,000 for each of fiscal years 1986 and 1987 from the department's biennial appropriations for this purpose.

Sec. 20. Laws 1985, First Special Session chapter 12, article 8, section 62, subdivision 2, is amended to read:

Subd. 2. [EDUCATIONAL EFFECTIVENESS.] For educational effectiveness programs according to sections 121.608 and 121.609 there is appropriated:

\$1,034,000 ..... 1986,

(\$781,000) \$735,625 ..... 1987.

The commissioner shall assign one additional position, from the department's existing complement, to educational effectiveness programs. The legislature intends that, beginning in fiscal year 1987, districts will pay the costs of educational effectiveness in-service for district staff.

Sec. 21. Laws 1985, First Special Session chapter 12, article 8, section 62, subdivision 3, is amended to read:

Subd. 3. [ACADEMIC EXCELLENCE FOUNDATION.] For support of the academic excellence foundation according to Minnesota Statutes, section 121.612, there is appropriated:

\$89,000 . . . . . 1986,

(\$84,000) \$79,675 . . . . . 1987.

\$5,000 of the fiscal year 1986 appropriation shall be used for expenses related to the operation of the task force established in section 60, subdivision 1.

Sec. 22. Laws 1985, First Special Session chapter 12, article 8, section 62, subdivision 4, is amended to read:

Subd. 4. [MANAGEMENT ASSISTANCE.] For management assistance to school districts according to section 4 there is appropriated:

\$50,000 . . . . . 1986,

(\$50,000) \$47,500 . . . . . 1987.

Sec. 23. Laws 1985, First Special Session chapter 12, article 8, section 62, subdivision 6, is amended to read:

Subd. 6. [ASSESSMENT ITEM BANK.] For development and implementation of the assessment item bank according to Minnesota Statutes, section 123.742, subdivision 5, there is appropriated:

\$300,000 . . . . . 1986,

(\$300,000) \$285,000 . . . . . 1987.

Sec. 24. Laws 1985, First Special Session chapter 12, article 8, section 62, subdivision 8, is amended to read:

Subd. 8. [PER ASSISTANCE.] For state assistance for planning, evaluation, and reporting, there is appropriated:

\$120,000 . . . . . 1986,

(\$120,000) \$114,000 . . . . . 1987.

\$50,000 each year shall be used for assisting districts with the assurance of mastery program. Up to \$50,000 each year shall be used to develop and maintain model learner expectations. Up to \$20,000 each year shall be used for the state curriculum advisory committee; a portion of this money may be for administration.



Sec. 25. Laws 1985, First Special Session chapter 12, article 8, section 62, subdivision 9, is amended to read:

Subd. 9. [TECHNOLOGY SERVICES.] For the purposes of Minnesota Statutes, sections 129B.35, 129B.37, 129B.39, and 129B.40, there is appropriated:

\$649,000 ..... 1986,  
(\$649,000) \$616,550 ..... 1987.

Sec. 26. Laws 1985, First Special Session chapter 12, article 8, section 62, subdivision 13, is amended to read:

Subd. 13. [MASTERY LEARNING PROGRAM.] For the purposes of section 42, subdivisions 3 and 10 and section 59, there is appropriated:

\$160,000 ..... 1986,  
(\$1,290,000) \$1,285,000 ..... 1987.

\$125,000 of the appropriation for fiscal year 1986 shall be used for a computerized mastery management system and support materials. The remaining \$35,000 in fiscal year 1986 shall be used for planning aid to districts under section 42, subdivision 3.

\$1,250,000 of the appropriation in fiscal year 1987 shall be used for mastery learning project grants. The remaining (\$40,000) \$35,000 for fiscal year 1987 may be used by the department to administer and evaluate the program.

Sec. 27. Laws 1985, First Special Session chapter 12, article 8, section 62, subdivision 14, is amended to read:

Subd. 14. [SCHOOL MANAGEMENT ASSESSMENT CENTER.] For support of the school management assessment center at the University of Minnesota, there is appropriated:

\$25,900 ..... 1986,  
(\$26,900) \$25,580 ..... 1987.

Sec. 28. Laws 1985, First Special Session chapter 12, article 8, section 62, subdivision 15, is amended to read:

Subd. 15. [PROGRAMS OF EXCELLENCE.] For programs of excellence according to Minnesota Statutes, sections 126.60 to 126.64, there is appropriated:

\$25,000 ..... 1986,  
(\$25,000) \$24,625 ..... 1987.

Of this amount, the following sums may be used for the purposes indicated in each year: (\$7,500) \$7,125 for program administration including expenses of the programs of excellence committee, according to Minnesota Statutes, section 126.60, subdivision 3 and \$17,500 for incentive grants according to Minnesota Statutes, section 126.60, subdivision 4.

Sec. 29. Laws 1985, First Special Session chapter 12, article 8, section 62, subdivision 17, is amended to read:

Subd. 17. [INDUSTRIAL TECHNOLOGY PROGRAM.] For development of curriculum for the industrial technology program according to section 56 there is appropriated:

(\$30,000) \$29,250 ..... 1986.

The sum is available until June 30, 1987.

Sec. 30. Laws 1985, First Special Session chapter 12, article 8, section 63, subdivision 2, is amended to read:

Subd. 2. [TEACHER EXAMINATIONS.] For duties related to teacher examinations there is appropriated:

\$105,000 ..... 1986,

(\$75,000) \$70,500 ..... 1987.

\$30,000 of the fiscal year 1986 appropriation is to evaluate teaching skills of beginning teachers and \$75,000 (EACH YEAR) *in fiscal year 1986 and \$70,500 in fiscal year 1987* is for development of teacher examinations.

Sec. 31. Laws 1985, First Special Session chapter 12, article 8, section 63, subdivision 3, is amended to read:

Subd. 3. [EXEMPLARY TEACHER EDUCATION PROGRAMS.] For development of exemplary teacher education programs there is appropriated:

\$150,000 ..... 1986,

(\$150,000) \$142,500 ..... 1987.

Up to \$30,000 of this sum may be used for evaluation. The sum is available until June 30, 1987.

Sec. 32. Laws 1985, First Special Session chapter 12, article 8, section 64, subdivision 2, is amended to read:

Subd. 2. [SUMMER PROGRAM SCHOLARSHIPS.] For scholarship awards for 1986 and 1987 summer programs according to section 22, there is appropriated:

(\$500,000) \$487,500 . . . . . 1986.

Of this appropriation, the amount required may be used for the higher education coordinating board's costs of administering the program.

Sec. 33. Laws 1985, First Special Session chapter 12, article 9, section 3, subdivision 2, is amended to read:

Subd. 2. [BASIC SUPPORT GRANTS.] For basic support grants pursuant to sections 134.32 to 134.35 for the provision of library service there is appropriated:

\$4,923,600 . . . . . 1986,

(\$5,047,300) \$4,798,027 . . . . . 1987.

The appropriation for 1986 includes \$695,000 for aid for fiscal year 1985 payable in fiscal year 1986, and \$4,228,600 for aid for fiscal year 1986 payable in fiscal year 1986.

The appropriation for 1987 includes \$746,200 for aid for fiscal year 1986 payable in fiscal year 1987 and (\$4,301,100) \$4,051,827 for aid for fiscal year 1987 payable in fiscal year 1987.

The appropriations are based on aid entitlements of \$4,974,800 for fiscal year 1986 and (\$5,060,100) \$4,810,827 for fiscal year 1987.

Sec. 34. Laws 1985, First Special Session chapter 12, article 9, section 3, subdivision 3, is amended to read:

Subd. 3. [MULTI-COUNTY, MULTI-TYPE LIBRARY SYSTEMS.] For grants pursuant to sections 134.353 and 134.354 to multi-county, multi-type library systems there is appropriated:

\$205,100 . . . . . 1986,

(\$213,000) \$202,548 . . . . . 1987.

The appropriation for 1986 includes \$30,000 for aid for fiscal year 1985 payable in fiscal year 1986, and \$175,100 for aid for fiscal year 1986 payable in fiscal year 1986.

The appropriation for 1987 includes \$30,900 for fiscal year 1986 payable in fiscal year 1987, and \$182,100 for aid for fiscal year 1987 payable in fiscal year 1987.

The appropriations are based on aid entitlements of \$206,000 for fiscal year 1986, and (\$214,200) \$203,748 for fiscal year 1987.

**Sec. 35. [LEVY FORMULA AND PERMITTED USE FOR 1986 SUMMER PROGRAMS.]**

*Subdivision 1. [PERMITTED USE.] Any district which certified a 1985 levy payable in 1986 pursuant to Minnesota Statutes 1984, section 124A.03, subdivision 4, may use that levy revenue only for (1) summer school classes which are not a part of the regular school term in hospitals, sanatoriums, and home instruction programs, (2) inter-session classes of flexible school year programs, and (3) summer school classes in elementary and secondary schools, which are provided for pupils who are handicapped and who are appropriately served at level 4, 5, or 6 of the continuum of placement model described in state board rules.*

*Subd. 2. [FORMULA.] The amount of 1986 summer program levy revenue that a district may use for the purposes specified in subdivision 1 is equal to the following product:*

*(a) the number of summer school pupil units as defined in Minnesota Statutes 1984, section 124.201, subdivision 2, clause 1; times*

*(b) the foundation aid formula allowance for the 1985-1986 school year pursuant to Minnesota Statutes 1985 Supplement, section 124A.02, subdivision 9; times*

*(c) the lesser of*

*(1) one, or*

*(2) the ratio of*

*(i) the quotient derived by dividing the adjusted assessed valuation of the district in 1983 by the total pupil units in the district in the 1985-1986 school year, to*

*(ii) the equalizing factor for the 1985-1986 school year.*

**Sec. 36. [AID FORMULA AND PERMITTED USE FOR 1986 SUMMER PROGRAMS.]**

*Subdivision 1. [PERMITTED USE.] Any district receiving aid for 1986 summer programs may use that aid only for (1) summer school classes which are not a part of the regular school term in hospitals, sanatoriums, and home instruction programs, (2) inter-session classes of flexible school year programs, and (3) summer school classes in elementary and secondary schools,*

*which are provided for pupils who are handicapped and who are appropriately served at level 4, 5, or 6 of the continuum of placement model described in state board rules.*

*Subd. 2. [FORMULA.] In fiscal year 1987, any district which provides summer programs specified in subdivision 1 shall receive summer program aid equal to the difference between:*

*(1) the product of*

*(a) the number of summer school pupil units as defined in Minnesota Statutes 1984, section 124.201, subdivision 2, clause 1; times*

*(b) the foundation aid formula allowance for the 1985-1986 school year pursuant to Minnesota Statutes 1985 Supplement, section 124A.02, subdivision 9; and*

*(2) the amount of 1986 summer program levy revenue that the district uses pursuant to section 35.*

#### **Sec. 37. [LEVY ADJUSTMENT.]**

*The commissioner of education shall adjust the 1985 payable 1986 levy limitations for school districts as a result of provisions of section 35. The adjustment shall be a negative amount equal to the difference between the amount the district levied in 1985 and the amount of the summer program levy revenue the district used pursuant to section 35. The adjustment shall be subtracted from the district's levy limitation for 1986 taxes payable in 1987.*

#### **Sec. 38. [CONTINGENCY EXPENDITURES.]**

*Subdivision 1. [DEFINITION.] For the purposes of this section, "excess moneys for contingency expenditure" means the amount by which the sum of (1) the unexpended portion of the budget and cash flow reserve account, and (2) the probable undesignated balance in the general fund at the end of the biennium ending June 30, 1987, exceeds the net positive amount of \$100,000,000.*

*Subd. 2. [PRIORITY FOR ADDITIONAL REVENUES.] Notwithstanding Minnesota Statutes 1985 Supplement, sections 16A.15, subdivision 6, and 16A.1541, if the commissioner of finance determines before June 30, 1987, that there are excess moneys for contingency expenditure, the commissioner shall allocate the excess moneys for contingency expenditure to the following purposes in the following order of priority:*

*(1) If the determination that excess moneys for contingency expenditure are available is made prior to May 30, 1986, and the amount of excess moneys for contingency expenditure exceeds*

*\$6,788,000, allocate \$6,788,000 to pay aid to school districts in fiscal year 1987 for 1986 summer programs for nonhandicapped pupils pursuant to Minnesota Statutes 1985 Supplement, section 124A.033. This amount is to replace aid rescinded pursuant to section 10.*

*(2) If the determination that excess moneys for contingency expenditure are available is made prior to September 30, 1986, allocate up to \$1,174,000 for fiscal year 1987 for the Minnesota resource center for the arts established under Minnesota Statutes 1985 Supplement, section 129C.10. This amount is to replace, in part, appropriations rescinded pursuant to section 16.*

*(3) If the determination that excess moneys for contingency expenditure are available is made prior to September 30, 1986, allocate up to \$200,000 for fiscal year 1987 for council on quality education venture fund grants pursuant to Minnesota Statutes, sections 129B.01 to 129B.04. This amount is to replace grant moneys rescinded pursuant to section 18.*

*(4) Allocate up to \$410,070 for fiscal year 1987 in the following maximum amounts and for the following purposes:*

*(a) To the department of education for:*

<i>Interagency Office on Transition Services</i> .....	<i>\$ 4,000;</i>
<i>Early Childhood Family Education Assistance</i> .....	<i>\$ 1,750;</i>
<i>Comprehensive Arts Planning Programs</i> .....	<i>\$ 3,125;</i>
<i>Gifted Education Study</i> .....	<i>\$ 875;</i>
<i>Aid for Secondary Vocational Student Organizations</i> ..	<i>\$ 3,000;</i>
<i>Academic Excellence Foundation</i> .....	<i>\$ 4,325;</i>
<i>Educational Effectiveness Programs</i> .....	<i>\$ 45,375;</i>
<i>Management Assistance to School Districts</i> .....	<i>\$ 2,500;</i>
<i>Assessment Item Bank</i> .....	<i>\$ 15,000;</i>
<i>Planning, Evaluation, and Reporting Assistance</i> .....	<i>\$ 6,000;</i>
<i>Technology Services</i> .....	<i>\$ 32,450;</i>
<i>Mastery Learning</i> .....	<i>\$ 5,000;</i>
<i>School Management Assessment Center</i> .....	<i>\$ 1,320;</i>

<i>Programs of Excellence</i> .....	\$ 375;
<i>Industrial Technology Program</i> .....	\$ 750;
<i>Library Basic System Support Grants</i> .....	\$249,273;
<i>Library Multi-County, Multi-Type Grants</i> .....	\$ 10,452;

(b) To the board of teaching for:

<i>Teacher Examinations</i> .....	\$ 4,500;
<i>Exemplary Teacher Education Programs</i> .....	\$ 7,500; and

(c) To the higher education coordinating board for:

<i>Summer Program Scholarships</i> .....	\$ 12,500.
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If less than \$410,070 of excess moneys for contingency expenditure are available for the programs named in this clause, the amount available shall be prorated among the programs named in proportion to the maximum amount to be allocated to each program. These amounts are to replace appropriations rescinded pursuant to sections 12, 13, 15, 17, and 19 to 32.

(5) Any additional excess moneys for contingency expenditure that are available shall be allocated in accordance with Minnesota Statutes, section 16A.1541.

Subd. 3. [DETERMINATION BY MAY 30, 1986.] By May 30, 1986, the commissioner of finance shall determine whether sufficient excess moneys are available to allocate for aid to school districts for 1986 summer programs in accordance with subdivision 2, clause (1).

#### Sec. 39. [CONTINGENT ACTION; SUMMER SCHOOL LEVY ADJUSTMENT.]

If excess moneys for contingency expenditure are allocated for aid to school districts for 1986 summer programs under section 38, subdivision 2, clause (1), the provisions of sections 35 and 36 limiting the payment of 1986 summer program aid and the use of 1986 summer program levy revenue to handicapped pupils shall not take effect, and the levy adjustment required by section 37 shall not be made.

#### Sec. 40. [SPECIAL LEVY; MAHTOMEDI.]

In addition to other levies authorized by law, independent school district No. 832, Mahtomedi, may levy in 1986 an amount up to \$250,000 for capital expenditures. The proceeds of the levy may be used only to renovate Wildwood school.

*By July 30, 1986, the school board shall hold a public hearing on the need for the proposed levy. Upon receipt, within 30 days after the hearing, of a petition objecting to the levy signed by a number of qualified voters in the district equal to the greater of 50 voters or 15 percent of the number of voters who voted in the most recent school board election, the board shall hold a referendum on the proposed levy. The referendum shall be held on the date set by the board but no later than October 1, 1986. If a valid petition is not received by the school board, within 30 days after the hearing, no referendum need be held.*

**Sec. 41. [EXCESS CAPITAL OUTLAY LEVY; MOOSE LAKE.]**

*Subdivision 1. [1986.] Independent school district No. 97, Moose Lake, may levy \$75,000 in 1986 for capital outlay purposes in addition to all other levies for capital outlay and other purposes.*

*Subd. 2. [1987.] Independent school district No. 97, Moose Lake, may levy \$70,000 in 1987 for capital outlay purposes in addition to all other levies for capital outlay and other purposes.*

*Subd. 3. [REFERENDUM.] The authorization for the levy in subdivision 1 or 2 may be revoked or reduced as provided in this subdivision. A referendum on the question of revoking or reducing the authorized amount shall be called on the written petition of a number of qualified voters in excess of 15 percent of the average number of voters of the two most recent district-wide school elections. A petition to revoke or reduce the levy authorized by subdivision 1 must be received by September 1, 1986, and the referendum must be held by October 10, 1986. A petition to revoke or reduce the levy authorized by subdivision 2 must be received by September 1, 1987, and the referendum must be held by October 10, 1987. The ballot must state the number of mills required to raise the authorized amount. The ballot question must read substantially as follows:*

*"Shall the authority to make an extra capital levy in (year) granted to independent school district No. 97 in (this act) be (revoked/reduced from \$..... to \$.....)?"*

*In other respects, the referendum shall be conducted as other elections are conducted under sections 124A.03 and 123.32.*

**Sec. 42. [EFFECTIVE DATE.]**

*Sections 17, 29, 32, 35, 36, 38, and 39 are effective the day following final enactment."*

Delete the title and insert:



"A bill for an act relating to education; reducing certain education aids appropriations in fiscal year 1987; setting the formula allowance and basic maintenance mill rate amounts for the 1987-1988 school year; providing for restoration of education aids if state revenues increase; making technical corrections; amending Minnesota Statutes 1984, sections 124.32, subdivision 1c; 124A.02, subdivision 15; and 364.09; Minnesota Statutes 1985 Supplement, sections 124.225, subdivision 7b; 124.245, subdivision 1; 124A.02, subdivision 9; 124A.03, subdivision 1a; 129C.10, subdivision 5; and 298.28, subdivision 1; Laws 1985, First Special Session chapter 12, article 1, section 36, subdivision 3; article 2, section 15, subdivision 2; article 3, section 28, subdivision 10; article 4, section 11, subdivision 6; article 5, section 8; and section 10, subdivisions 2 and 4; article 6, section 28, subdivisions 11, 17, and 20; article 8, section 62, subdivisions 2, 3, 4, 6, 8, 9, 13, 14, 15, and 17; section 63, subdivisions 2 and 3; and section 64, subdivision 2; and article 9, section 3, subdivisions 2 and 3."

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

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 1772, A bill for an act relating to courts; increasing fees to be collected; clarifying existing fee statutes; amending Minnesota Statutes 1984, section 176.451, subdivision 3; 487.31, subdivisions 1 and 4; 487.33; 514.70; 525.031; and 525.033; Minnesota Statutes 1985 Supplement, section 357.021, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Valento from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1800, A bill for an act relating to local government; authorizing the counties of Becker, Grant, Hubbard, Otter Tail, Stevens, Todd, Traverse, Wadena, and Wilkin to enter into contracts and agreements for solid waste management.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Valento from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1807, A bill for an act relating to local government; providing for the coordination of various development authorities in Moorhead and Clay county.

Reported the same back with the following amendments:

Page 8, after line 19, insert:

“Sec. 9. [POWER OUTSIDE STATE.]

*The powers granted to the city by section 2 may be exercised with respect to any project located in a city located outside the state but contiguous to the city of Moorhead. In furtherance of the exercise of the powers granted to the city in section 2, and notwithstanding any other provision of law or charter, the city or the authority may enter into a joint powers agreement with another political subdivision located within or without the state or a nonprofit or for-profit organization to provide for the ownership and operation of facilities located outside the state.”*

Renumber the remaining section

Page 8, line 21, after “6” insert “and 9”

Amend the title as follows:

Page 1, line 3, after “in” insert “the city of”

With the recommendation that when so amended the bill pass.

The report was adopted.

Schreiber from the Committee on Taxes to which was referred:

H. F. No. 1815, A bill for an act relating to taxation; real property; prescribing requirements of the sales ratio study used by the state board of equalization; amending Minnesota Statutes 1984, section 270.12, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 1824, A bill for an act relating to statutes; adopting a gender neutral revision of Minnesota Statutes; providing for no substantive change; granting certain editorial authority to the revisor of statutes; amending Minnesota Statutes 1984, section 3C.10, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 11, after "on" insert "January"

Page 1, line 12, before the first comma insert "24"

Page 1, line 12, after "on" insert "January"

Page 1, line 13, before the first comma insert "24"

Page 2, after line 33, insert:

"Sec. 5. Minnesota Statutes 1984, section 645.44, is amended by adding a subdivision to read:

*Subd. 1b. [CHAIR.] "Chair" includes chairman, chairwoman, and chairperson.*

Sec. 6. [AMENDMENTS.]

*Volume 2 of The Gender Revision of 1986 as adopted under section 1 is amended as follows:*

Page 282, line 66, strike "hunter,"

Page 282, line 67, delete "fisher" and strike ", trapper, tourist or vacationist" and insert "person"

Page 284, line 2, before "license" insert "fishing" and after the stricken "fisherman" delete "fisher" and insert "person"

Page 294, line 35, delete "fishers" and insert "licensees"

Page 296, line 13, strike "licensed" and delete "fishers" and insert "fishing licensees"

Page 296, line 17, strike "licensed" and delete "fishers" and insert "fishing licensees"

Page 300, line 53, strike "licensed" and delete "fishers" and insert "fishing licensees"

Amend the title as follows:

Page 1, line 2, after "adopting" insert "as amended"

Page 1, line 6, delete "section" and insert "sections" and after "1" insert "; and 645.44, by adding a subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 1851, A bill for an act relating to civil actions; providing a cause of action for sexual exploitation; proposing coding for new law as Minnesota Statutes, chapter 148A.

Reported the same back with the following amendments:

Page 2, line 7, delete "*verbal sexual advances or*"

Page 2, line 36, after "*action*" insert "*against a psychotherapist*"

Page 3, line 1, delete "*against a psychotherapist*" and delete "*who*" and insert "*for*"

Page 3, delete line 2

Page 3, line 3, delete "*arising out of*" and insert "*caused by*"

Page 3, line 11, delete the comma

Page 3, line 12, delete "*including punitive damages,*"

Page 3, line 22, delete "*, including punitive damages,*"

Page 3, line 28, delete "*should have known*" and insert "*has reason to believe*"

Page 3, line 31, after "*upon*" insert "*specific*"

Page 3, after line 33, insert:

"No cause of action arises, nor may a licensing board in this state take disciplinary action against a psychotherapist's employer or former employer who in good faith complies with clause (3)."

With the recommendation that when so amended the bill pass.

The report was adopted.

Bennett from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1852, A bill for an act relating to commerce; regulating those who package soft drinks and other nonalcoholic beverages; increasing certain vending machine inspection fees; clarifying authority to inspect vending machines; clarifying rulemaking authority of commissioner of agriculture; amending Minnesota Statutes 1984, sections 28A.05; 28A.09, subdivision 1; 34.03; and 34.09; repealing Minnesota Statutes 1984, section 34.05.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Knickerbocker from the Committee on Governmental Operations to which was referred:

H. F. No. 1885, A bill for an act relating to retirement; employees of the Falls nursing home who are members of the public employees retirement association.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Knickerbocker from the Committee on Governmental Operations to which was referred:

H. F. No. 1926, A bill for an act relating to state investments; establishing various accounts within the supplemental investment fund; providing for the administration of the accounts and for the investment and valuation of shares within each account; amending Minnesota Statutes 1984, sections 11A.17, subdivisions 1, 4, 9, and by adding a subdivision; 69.77, subdivision 2; 69.775; 352.96, subdivision 4; 352D.04, subdivision 1; Minnesota Statutes 1985 Supplement, section 11A.17, subdivision 13; and Laws 1969, chapter 950, section 3, as amended.

Reported the same back with the following amendments:

Page 3, line 5, strike "FIXED RETURN ACCOUNT AND"

Page 3, line 6, following "BOND ACCOUNT.]", strike the remainder of the line

Page 3, strike lines 7 to 16

Page 3, line 17, strike "established."

With the recommendation that when so amended the bill pass.

The report was adopted.

Knickerbocker from the Committee on Governmental Operations to which was referred:

H. F. No. 1928, A bill for an act relating to education; placing the state council on vocational education director in the unclassified service; amending Minnesota Statutes 1985 Supplement, section 136C.50, subdivision 7.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Fjoslien from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1946, A bill for an act relating to veterans affairs; providing for use of departmental resources by certain organizations; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 196.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 1962, A bill for an act relating to costs and attorney fees; providing for recovery of costs and attorney fees by prevailing parties in civil actions and contested case proceedings involving the state; amending Minnesota Statutes 1984, section 14.62, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 3.

Reported the same back with the following amendments:

Page 6, line 4, delete "*which is pending on, or*"

Page 6, line 5, delete the comma

With the recommendation that when so amended the bill pass.

The report was adopted.

Rose from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1968, A bill for an act relating to environment; providing for the selection of locations for and developers of hazardous waste stabilization and containment facilities; amending Minnesota Statutes 1984, sections 115A.03, subdivision 1, and by adding subdivisions; 115A.05, subdivision 2, and by adding a subdivision; 115A.13; 115A.14, subdivision 6; 115A.22, subdivision 4; 400.11; Minnesota Statutes 1985 Supplement, sections 115A.81, subdivision 2; 275.50, subdivision 5; 477A.012; proposing coding for new law in Minnesota Statutes, chapters 115A and 400; repealing Minnesota Statutes 1984, sections 115A.17; and 400.10; Minnesota Statutes 1985 Supplement, section 473.811, subdivision 11.

Reported the same back with the following amendments:

Page 2, line 7, after "*chemical*" insert "*or thermal*" after "*materials*" insert "*or energy*"

Page 2, line 24, after "*state*" insert "*delisting*"

Page 2, line 25, delete everything after "*rules*"

Page 2, line 26, delete "*regulation*"

Page 4, line 4, delete "SUSPENSION OF"

Page 4, line 5, delete "*suspend*" and insert "*terminate*"

Page 4, line 8, delete everything after "*Subd. 2.*"

Page 4, delete lines 9 and 10 and insert "[DISMISSAL OF CANDIDATE SITES.] *On the effective date of this section, the board shall dismiss from further consideration all candidate sites remaining under section 115A.21, subdivision 1.*"

Page 4, delete lines 17 to 36

Page 5, delete lines 1 to 25, and insert:

**"Subd. 4. [STABILIZATION AND CONTAINMENT FACILITY; RESTRICTIONS; CONTAINMENT STANDARDS TO PROTECT HUMAN HEALTH AND ENVIRONMENT.]** *No facility may be sited under the provisions of sections 115A.18 to 115A.30 except a stabilization and containment facility. The facility must be above grade unless the board determines, after environmental review under section 15, subdivision 2, that an alternative design would provide greater protection for human health and the environment. No waste may be accepted for containment at the facility except the following:*

- (a) waste rendered nonhazardous;*
- (b) industrial waste; and*
- (c) waste that is not eligible for acceptance under clause (a) or (b), if the agency determines that all of the following requirements are met:*
  - (1) there is no feasible and prudent alternative to containment of the waste that would minimize adverse impact upon human health and the environment;*
  - (2) the waste has been treated using feasible and prudent technology that minimizes the possibility of migration of any hazardous constituents of the waste; and*
  - (3) the waste meets the standards adopted to protect human health and the environment under the authority of 42 U.S.C. section 6924(m), and any additional protective standards adopted by the agency under section 116.07, subdivision 4.*

*If no federal or state standards have been adopted for a waste as provided in clause (3), the waste may not be accepted for containment.*

*A person proposing a waste for containment at the facility has the burden of demonstrating that the waste may be accepted under the requirements of this subdivision. The demonstration under clause (c) must document in a form satisfactory to the agency the manner in which the person has attempted to meet the standard for acceptance of the waste under clause (a) and the characteristics of the waste that prevent compliance with that standard."*

Page 5, line 28, delete "generator" and insert "person"

Page 8, line 12, delete "may be made contingent on" and insert "requiring"

Page 8, line 13, before the period insert ", are contingent on that enactment"



Page 8, line 35, delete "(d)" and insert "(e)"

Page 9, line 22, after "containment" insert ", including above grade containment"

Page 9, after line 22, insert:

*"(b) procedures and standards for the operation of the facility that require the use of reduction, recycling, and recovery of any hazardous waste before the waste is accepted for stabilization when the alternative or additional management method is feasible and prudent and would materially reduce adverse impact on human health and the environment,"*

Reletter remaining clauses

Page 10, line 16, delete everything after the period

Page 10, delete lines 17 to 19

Page 11, line 11, after "shall" insert ":(1)"

Page 11, line 12, delete the second "and" and insert ", including operating and design standards for the facility; and (2)"

Page 11, line 25, delete "and"

Page 11, delete line 26

Page 11, line 27, delete "1,"

Page 11, line 29, delete "and proceed" and insert a period

Page 11, delete lines 30 to 32

Page 12, delete lines 4 to 28

Page 12, delete lines 29 to 36

Page 19, line 16, delete "\$50,000" and insert "\$100,000"

Page 19, line 20, delete "\$150,000" and insert "\$200,000"

Renumber sections accordingly

Amend the title as follows:

Page 1, line 8, delete "115A.22, subdivision 4;"

Page 1, line 9, delete "115A.81,"

Page 1, line 10, delete "subdivision 2;"

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

The report was adopted.

Valento from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1991, A bill for an act relating to metropolitan government; providing for appointments, administration, reports, and duties of metropolitan agencies; amending Minnesota Statutes 1984, sections 473.121, subdivision 6, and by adding subdivisions; 473.123, subdivisions 2a, 3, and 3a; 473.141, subdivisions 2, 3, and 4a; 473.146, subdivisions 1, 2, and 3; 473.161; 473.163, subdivisions 1 and 2; and 473.303, subdivisions 2 and 4a; Minnesota Statutes 1985 Supplement, section 473.38, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1984, sections 473.121, subdivision 7; 473.163, subdivisions 3 and 4; 473.373, subdivision 3; 473.377; and 473.38, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 473.121, is amended by adding a subdivision to read:

*Subd. 5a. "Metropolitan governmental unit" means any unit of government created by chapter 473, including the council, parks and open space commission, transit board, transit commission, waste control commission, airports commission, sports facilities commission, and mosquito control district.*

Sec. 2. Minnesota Statutes 1984, section 473.121, is amended by adding a subdivision to read:

*Subd. 5b. "Metropolitan agency" means the metropolitan waste control commission and the regional transit board.*

Sec. 3. Minnesota Statutes 1984, section 473.121, subdivision 6, is amended to read:

*Subd. 6. "Local governmental unit" means any county, city, town, school district, special district or other political subdivisions or public corporation, other than a metropolitan (COM-*

MISSION) *governmental unit*, lying in whole or part within the metropolitan area.

Sec. 4. Minnesota Statutes 1984, section 473.123, subdivision 2a, is amended to read:

Subd. 2a. [TERMS.] Following each apportionment of council districts, as provided under subdivision 3a, (THE TERMS OF) council members (SHALL COMMENCE ON THE EFFECTIVE DATE OF THAT APPORTIONMENT,) *must be appointed from newly drawn districts* as provided in subdivision 3a. The terms of members are as follows: members representing even-numbered districts for terms ending the first Monday in January of the year ending in the numeral "7"; members representing odd-numbered districts for terms ending the first Monday in January of the year ending in the numeral "5." Thereafter the term of each member is four years, *with terms ending the first Monday in January*, except that all terms expire on the effective date of the next apportionment. A member shall continue to serve his district until a successor is appointed and qualified; except that, following each apportionment, the member shall continue to serve at large until the governor appoints 16 council members, one from each of the newly drawn council districts as provided under subdivision 3a, to serve terms as provided under this section. *The appointment to the council must be made by the first Monday in March of the year in which the term ends.*

Sec. 5. Minnesota Statutes 1984, section 473.123, subdivision 3, is amended to read:

Subd. 3. [MEMBERSHIP; APPOINTMENT; QUALIFICATIONS.] (a) (THE COUNCIL SHALL BE COMPOSED OF 16) *Sixteen members must be appointed by the governor from districts defined by this section.* (THE GOVERNOR SHALL APPOINT MEMBERS ON A NONPARTISAN BASIS AFTER CONSULTATION WITH ALL MEMBERS OF THE LEGISLATURE FROM THE COUNCIL DISTRICT FOR WHICH THE MEMBER IS TO BE APPOINTED. APPOINTMENTS ARE SUBJECT TO THE ADVICE AND CONSENT OF THE SENATE.) Each council member (SHALL) *must* reside in the council district which he represents. Each council district (SHALL) *must* be represented by one member of the council.

(b) In addition to the notice required by section 15.0597, subdivision 4, notice of vacancies and expiration of terms (SHALL) *must* be published in newspapers of general circulation in the metropolitan area and the appropriate districts. *The governing bodies of the statutory and home rule charter cities, counties, and towns having territory in the district for which a member is to be appointed must be notified in writing. The notices must describe the appointments process and invite participation and recommendations on the appointment.*

(c) *The governor shall create a nominating committee, composed of metropolitan citizens appointed by the governor, to nominate persons for appointment to the council from districts. Following the submission of applications as provided under section 15.0597, subdivision 5, the nominating committee shall conduct public meetings, after appropriate notice, to accept statements from or on behalf of persons who have applied or been nominated for appointment and to allow consultation with and secure the advice of the public and local elected officials. The committee shall hold the meeting on each appointment in the district or in a reasonably convenient and accessible location in the part of the metropolitan area in which the district is located. The committee may consolidate meetings. Following the meetings, the committee shall submit to the governor a list of nominees for each appointment. The governor is not required to appoint from the list.*

(d) *Before making an appointment, the governor shall consult with all members of the legislature from the council district for which the member is to be appointed.*

(e) *Appointments to the council are subject to the advice and consent of the senate as provided in section 15.066.*

(f) *Members of the council must be appointed to reflect fairly the various demographic, political, and other interests in the metropolitan area and the districts.*

(g) *Members of the council must be persons knowledgeable about urban and metropolitan affairs.*

Sec. 6. Minnesota Statutes 1984, section 473.123, subdivision 3a, is amended to read:

Subd. 3a. [APPORTIONMENT.] The legislature shall redraw the boundaries of the council districts after each decennial federal census so that each district has substantially equal population. Redistricting is effective on the first Monday in January in the year ending in the numeral "3." (WITHIN TWO MONTHS THEREAFTER) *By the first Monday in March of that year*, the governor shall appoint members from the newly drawn districts to serve terms as provided under subdivision 2a.

Sec. 7. Minnesota Statutes 1984, section 473.141, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP; APPOINTMENTS.] (a) Each (COMMISSION SHALL CONSIST) *agency consists of eight members, plus a chairman appointed as provided in subdivision 3. The metropolitan council shall appoint the eight members on a nonpartisan basis after consultation with the members of the legislature from the (COMMISSION) district for which the*

member is to be appointed. (APPOINTMENTS ARE SUBJECT TO THE ADVICE AND CONSENT OF THE SENATE.)

(b) *In addition to the notice required in section 15.0597, subdivision 4, notice of vacancies and expiration of terms must be published in newspapers of general circulation in the metropolitan area and the appropriate districts. The council shall notify in writing the governing bodies of the statutory and home rule charter cities, counties, and towns having territory in the district for which the member is to be appointed. The notices must describe the appointment process and invite participation and recommendations on the appointment.*

(c) *The council shall establish an appointments committee, composed of members of the council, to screen and review candidates. Following the submission of (COMMISSION) member applications to the metropolitan council as provided under section 15.0597, subdivision 5, the (COUNCIL) appointments committee shall conduct (ONE OR MORE) public (HEARINGS ON THE MATTER OF THE APPOINTMENTS FOR THE COMMISSION DISTRICTS) meetings, following appropriate notice, to accept statements from or on behalf of persons who have applied or been nominated for appointment and to allow consultation with and secure the advice of the public and local elected officials. The committee shall hold the meeting on each appointment in the district or in a reasonably convenient and accessible location in the part of the metropolitan area in which the district is located. The committee may consolidate meetings. Following the meetings, the committee shall submit to the council a written report that lists the persons who have applied or been nominated or recommended for the position, along with a description of the background and qualifications of each.*

((C)) (d) One member shall be appointed from each of the following (COMMISSION) agency districts:

(1) (COMMISSION) district A, consisting of council districts 1 and 2;

(2) (COMMISSION) district B, consisting of council districts 3 and 7;

(3) (COMMISSION) district C, consisting of council districts 4 and 5;

(4) (COMMISSION) district D, consisting of council districts 6 and 10;

(5) (COMMISSION) district E, consisting of council districts 8 and 9;

(6) (COMMISSION) district F, consisting of council districts 11 and 12;

(7) (COMMISSION) district G, consisting of council districts 13 and 14; and

(8) (COMMISSION) district H, consisting of council districts 15 and 16.

Sec. 8. Minnesota Statutes 1984, section 473.141, subdivision 3, is amended to read:

Subd. 3. [CHAIRMAN.] The chairman of each (COMMISSION) *agency* shall be appointed by the governor with the advice and consent of the senate (AND), shall be the ninth voting member (OF THE COMMISSION) and shall meet all qualifications established for members, except the chairman need only reside within the metropolitan area. *The council, by resolution after a public meeting on the subject, shall provide the governor with a list of nominees for the position.* Senate confirmation (SHALL BE) is as provided by section 15.066. The chairman shall preside at all meetings of the (COMMISSION) *agency*, if present, and shall perform all other duties and functions assigned to him by the (COMMISSION) *agency* or by law. Each (COMMISSION) *agency* may appoint from among its members a vice-chairman to act for the chairman during his temporary absence or disability.

Sec. 9. Minnesota Statutes 1984, section 473.141, subdivision 4a, is amended to read:

Subd. 4a. [TERMS.] Following each apportionment of metropolitan council districts, as provided under section 473.123, subdivision 3a, (THE TERMS OF MEMBERS AND THE CHAIRMAN OF EACH COMMISSION SHALL COMMENCE ON THE EFFECTIVE DATE OF THAT APPORTIONMENT,) *the metropolitan council, newly appointed as provided in section 473.123, subdivision 3a, shall appoint eight agency board members from newly drawn districts.* The terms of members and chairmen are as follows: members representing (COMMISSION) districts A, B, C, and D, and the chairman (OF EACH COMMISSION), for terms ending the first Monday in January of the year ending in the numeral "7"; members representing (COMMISSION) districts E, F, G, and H, for terms ending the first Monday in January of the year ending in the numeral "5." Thereafter the term of each member and the chairman is four years, *with terms ending the first Monday in January, except that all terms expire on the effective date of the next apportionment.* A chairman shall continue to serve until a successor is appointed and qualified. A member shall continue to serve his (COMMISSION) district until a successor is appointed and qualified; except that, following each apportionment, the member shall continue to serve at large until the metropolitan council appointed pursuant to section 473.123, subdivision 3a appoints eight (COMMISSION) members as provided under subdivision 2, to serve terms as provided under this subdivision. *The appointments to the*

*agency must be made by the first Monday in May of the year in which the term ends.*

Sec. 10. Minnesota Statutes 1984, section 473.146, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (WITHIN 12 MONTHS AFTER APRIL 12, 1974,) The council shall adopt (AFTER APPROPRIATE STUDY AND SUCH PUBLIC HEARINGS AS MAY BE NECESSARY, AS A PART OF ITS DEVELOPMENT GUIDE,) a long-range comprehensive policy (PLANS) *plan* for each metropolitan (COMMISSION AND WHEN ADOPTED, THE POLICY PLANS SHALL BE FOLLOWED BY THE COUNCIL AND THE AFFECTED COMMISSIONS) *agency*. The plans (SHALL) *must* substantially conform to all policy statements, purposes, goals, standards, and maps in the *metropolitan* development guide (SECTIONS AND COMPREHENSIVE PLANS AS) developed and adopted by the council (PURSUANT TO THE CHAPTERS OF THE MINNESOTA STATUTES DIRECTLY RELATING TO THE COUNCIL AND THE METROPOLITAN COMMISSIONS. IN PREPARING OR AMENDING A POLICY PLAN THE COUNCIL SHALL CONSULT WITH AND MAKE MAXIMUM USE OF THE EXPERTISE OF THE AFFECTED COMMISSION, AND EACH SUCH COMMISSION SHALL COOPERATE WITH AND MAKE ITS EMPLOYEES, RECORDS, STUDIES, PLANS AND OTHER INFORMATION AVAILABLE TO THE COUNCIL) *under chapter 473*. Each (SUCH) policy plan (SHALL) *must* include, to the extent appropriate to the functions, *services*, and *systems* covered (THEREBY), the following:

((A) A STATEMENT OF THE NEEDS OF THE METROPOLITAN AREA WITH RESPECT TO THE FUNCTIONS COVERED AND THE OBJECTIVE OF AND THE POLICIES TO BE FORWARDED BY THE POLICY PLAN;)

((B) A GENERAL DESCRIPTION OF THE PHYSICAL FACILITIES AND SERVICES TO BE DEVELOPED BY THE METROPOLITAN COMMISSION IN PERFORMING ITS FUNCTIONS;)

((C) A STATEMENT AS TO THE GENERAL LOCATION OF PHYSICAL FACILITIES AND SERVICE AREAS;)

((D) A GENERAL STATEMENT OF TIMING AND PRIORITIES IN THE DEVELOPMENT BY THE METROPOLITAN COMMISSION OF THOSE PHYSICAL FACILITIES AND SERVICE AREAS;)

((E) A GENERAL STATEMENT ON THE LEVEL OF PUBLIC EXPENDITURE BOTH CAPITAL AND OPERATING APPROPRIATE TO THE FACILITIES AND)

(a) *Forecasts of changes in the general levels and distribution of population, households, employment, land uses, and other relevant matters, for the metropolitan area and appropriate subareas, to be used in preparing the implementation plan of the affected metropolitan agency;*

(b) *A statement of issues, problems, needs, and opportunities with respect to the functions, services, and systems covered;*

(c) *A statement of the council's goals, objectives, and priorities with respect to the functions, services, and systems covered, addressing areas and populations to be served, the levels, distribution, and staging of services, a general description of the facility systems required to support the services, and other similar matters;*

(d) *A statement of policies to effectuate the council's goals, objectives, and priorities;*

(e) *A statement of the fiscal implications of the council's plan, including a statement of: (i) the resources available under existing fiscal policy; (ii) the adequacy of resources under existing fiscal policy and any shortfalls and unattended needs; (iii) additional resources, if any, that are or may be required to effectuate the council's goals, objectives, and priorities; and (iv) any changes in existing fiscal policy, on regional revenues and intergovernmental aids respectively, that are expected or that the council has recommended or may recommend;*

(f) *A statement of the standards, criteria, and procedures that the council will use in monitoring and evaluating the implementation of the plan;*

(g) *A statement of the matters that must be addressed in the implementation plan of the affected metropolitan agency;*

(h) *A statement of the relationship of the policy plan to other policy plans and chapters of the metropolitan development guide;*

((F)) (i) *A statement of the relationships to (ANY CURRENT) local comprehensive plans (AND ANY RELATED DEVELOPMENT PROGRAMS ON FILE WITH THE COUNCIL) prepared under sections 473.851 to 473.872; and*

((G) SUCH) (j) *Additional general information as may be necessary to develop the policy plan or as may be required by the laws relating to the metropolitan (COMMISSION) agency and function covered by the policy plan (; AND)*

((H) *A GENERAL STATEMENT RELATING TO FUTURE POPULATION, EMPLOYMENT LEVELS, AND LAND*



USE IN THE METROPOLITAN AREA AND IN THE INDIVIDUAL LOCAL GOVERNMENTAL UNITS LOCATED THEREIN, INCLUDING POPULATION DENSITIES AND ANTICIPATED RATES OF CHANGE IN SUCH DENSITIES).

Sec. 11. Minnesota Statutes 1984, section 473.146, subdivision 2, is amended to read:

Subd. 2. [CONSULTATION WITH AGENCY; PRE-DRAFTING NOTICE.] *In preparing or amending the policy plan, the council shall consult with and make maximum use of the expertise of the affected metropolitan agency. The agency shall cooperate with the council and make its records, studies, plans, and other information available to the council.*

*Before beginning to prepare a substantial revision of a policy plan, the council shall publish notice and request comments from the public. At least 90 days before publication of the pre-drafting notice, the council shall submit a draft of the notice to the affected metropolitan agency for review and comment. The pre-drafting notice must include a statement of the subjects expected to be covered by the policy and implementation plans; a summary of important problems, issues, and matters that are expected to be addressed in the plans; and a summary of the studies and other information required as the basis of the plans. All interested persons must be afforded an opportunity to submit data or views on the pre-drafting notice, either orally or in writing.*

Before adopting a policy plan or substantial revision thereof, the council shall submit the proposed plan to the affected metropolitan (COMMISSION) agency for its review, and the (COMMISSION) agency shall report its comments to the council within (60) 90 days (AND MAY, WITHIN THAT PERIOD REQUEST THE COUNCIL TO HOLD A SPECIAL PUBLIC HEARING FOR THE PURPOSE OF RECEIVING THE COMMISSION'S REPORT AND COMMENTS. WITHIN 60 DAYS AFTER THE SUBMISSION OF THE PROPOSED PLAN TO THE COMMISSION, ANY LOCAL GOVERNMENTAL UNIT MAY REQUEST A PUBLIC HEARING FOR THE PURPOSE OF RECEIVING TESTIMONY FROM LOCAL GOVERNMENTAL UNITS AND THE GENERAL PUBLIC CONCERNING THE PROPOSED POLICY PLAN PRIOR TO THE ADOPTION OF A POLICY PLAN. WITHIN A REASONABLE TIME, NOT TO EXCEED 60 DAYS, AFTER RECEIVING A REQUEST FOR A HEARING,).

Subd. 2a. [HEARING; ADOPTION.] The council shall hold a public hearing on the proposed policy plan at (SUCH) a time and place in the metropolitan area (AS IT SHALL DETERMINE) *determined by the council.* Not less than 15 days before the hearing, the council shall publish notice (THEREOF) in a newspaper or newspapers having general circulation in the

metropolitan area, stating the date, time and place of hearing, and the place where the proposed policy plan and (COMMISSION) *agency* comments may be examined by any interested person. At any hearing interested persons (SHALL) *must* be permitted to present their views on the policy plan, and the hearing may be continued from time to time. After receipt of the (COMMISSION'S) *agency's* report and (SUCH) *the* hearing, (IF ANY,) the council may revise the proposed plan giving appropriate consideration to all comments received, and thereafter shall adopt the plan by resolution.

*Subd. 2b. [EFFECT.] Adopted policy plans must be followed by the council and the affected metropolitan agency.*

*Subd. 2c. [AMENDMENT.]* An amendment to a policy plan may be initiated by the council or by an affected (COMMISSION) *metropolitan agency*. At least every (FOUR) *five* years the council shall engage in a comprehensive review of the policy plan *and revise the plan as necessary*. (DEVELOPMENT GUIDE SECTIONS, COMPREHENSIVE PLANS, CAPITAL IMPROVEMENT PROGRAMS AND OTHER PLANS IN SUBSTANTIAL CONFORMANCE WITH THE REQUIREMENTS OF SUBDIVISION 1 WHICH HAVE BEEN ADOPTED BY THE COUNCIL PURSUANT TO MINNESOTA STATUTES 1971, CHAPTERS 473A, 473B AND 473C, SHALL CONTINUE IN FORCE AND EFFECT UNTIL EXPRESSLY SUPERSEDED BY A POLICY PLAN ADOPTED PURSUANT TO THIS SUBDIVISION.) The council shall (NOT) amend a policy plan (EXCEPT) in accordance with the procedures (HEREIN) *established in this section*.

Sec. 12. Minnesota Statutes 1984, section 473.146, subdivision 3, is amended to read:

*Subd. 3. [TRANSPORTATION POLICY PLAN.]* The (COUNCIL SHALL ADOPT A) transportation policy plan (AS A PART OF ITS COMPREHENSIVE DEVELOPMENT GUIDE AS PROVIDED IN SUBDIVISIONS 1 AND 2. THE REGIONAL TRANSIT BOARD SHALL PERFORM THE FUNCTIONS AND HAVE THE RESPONSIBILITY AND AUTHORITY PROVIDED FOR A METROPOLITAN COMMISSION. THE POLICY PLAN) must include policies relating to all transportation forms and be designed to promote the legislative determinations, policies and goals set forth in section 473.371. (IN ADDITION TO THE REQUIREMENTS OF SUBDIVISION 1 REGARDING THE CONTENTS OF THE POLICY PLAN, THE TRANSIT ELEMENTS OF THE PLAN MUST INCLUDE THE FOLLOWING:)

((1) A STATEMENT OF SERVICE OBJECTIVES, POLICIES, AND STANDARDS THAT SHOULD GOVERN THE DISTRIBUTION, COORDINATION, AND GENERAL LOCA-

TION OF FACILITIES, SERVICES, AND SERVICE AREAS TO BE PLANNED, DEPLOYED, OR DEVELOPED BY OR UNDER THE DIRECTION OR AUSPICES OF THE TRANSIT BOARD;)

((2) A GENERAL STATEMENT OF TIMING AND PRIORITIES IN THE PLANNING, DEPLOYMENT, AND DEVELOPMENT OF SERVICES;)

((3) A STATEMENT OF THE POLICIES AND STANDARDS THAT SHOULD GOVERN THE LEVELS OF PUBLIC EXPENDITURE, BOTH CAPITAL AND OPERATING, FOR VARIOUS SERVICES AND SERVICE AREAS;)

((4) A STATEMENT OF THE POLICIES AND STANDARDS THAT SHOULD GOVERN TOTAL ANNUAL REGIONAL FUNDING LEVELS, THE SOURCES OF FUNDS, AND THE DISTRIBUTION OF FUNDS AMONG THE FACILITIES, SERVICES, AND SERVICE AREAS; AND)

((5) A DESCRIPTION OF THE CONTENTS THAT SHOULD BE INCLUDED IN THE IMPLEMENTATION PLANS PREPARED BY THE TRANSIT BOARD.)

(IN ADDITION TO THE REQUIREMENTS OF SUBDIVISIONS 1 AND 2 REGARDING THE USE OF THE EXPERTISE OF THE AFFECTED AGENCY, THE STATE TRANSPORTATION DEPARTMENT, METROPOLITAN TRANSIT COMMISSION, AND AFFECTED COUNTIES AND MUNICIPALITIES MAY PROVIDE TECHNICAL ASSISTANCE REQUESTED BY THE COUNCIL. THE COUNCIL SHALL AMEND ITS POLICY PLAN TO CONFORM TO THE REQUIREMENTS OF THIS SUBDIVISION BY JANUARY 1, 1986.)

Sec. 13. Minnesota Statutes 1984, section 473.161, is amended to read:

473.161 [DEVELOPMENT PROGRAMS OF METROPOLITAN COMMISSIONS.]

(SUBDIVISION 1. [PREPARATION OF DEVELOPMENT PROGRAMS.] EACH METROPOLITAN COMMISSION SHALL PREPARE A DEVELOPMENT PROGRAM COVERING THE DETAILED TECHNICAL PLANNING, ENGINEERING, FINANCING, SCHEDULING AND OTHER INFORMATION NECESSARY TO THE DEVELOPMENT OF THE PROGRAM ELEMENTS TO BE PERFORMED BY THE COMMISSION IN IMPLEMENTING THE POLICY PLAN ADOPTED BY THE COUNCIL PURSUANT TO SECTION 473.146. THE PROGRAM MAY INCLUDE SUCH OTHER TECHNICAL INFORMATION AS THE METROPOLITAN

COMMISSION DEEMS NECESSARY. THE PROGRAM SHALL PRESCRIBE AND DELINEATE THE FUNCTIONS TO BE PERFORMED AND ACTIVITIES TO BE UNDERTAKEN BY THE METROPOLITAN COMMISSION AND SHALL COVER AT LEAST THE FIVE YEAR PERIOD COMMENCING WITH THE FIRST CALENDAR YEAR BEGINNING AFTER ITS APPROVAL OR SUCH LONGER PERIOD AS THE COUNCIL MAY PRESCRIBE. THE PROGRAM SHALL DESCRIBE ALL CAPITAL IMPROVEMENTS TO BE UNDERTAKEN IN SUCH PERIOD AND WITH RESPECT TO EACH IMPROVEMENT SHALL INCLUDE THE FOLLOWING:)

((A) A DESCRIPTION OF THE IMPROVEMENT, ITS LOCATION, FUNCTION AND ESTIMATED COST;)

((B) THE PROPOSED MANNER OF FINANCING THE CAPITAL COSTS OF THE IMPROVEMENT, AND THE SOURCES OF REVENUE AVAILABLE FOR PAYMENT OF SUCH COSTS;)

((C) A SCHEDULE SHOWING ON A YEARLY BASIS THE TIMING OF LAND ACQUISITION, CONSTRUCTION AND CAPITAL EXPENDITURES FOR THE IMPROVEMENTS;)

((D) A REVIEW AND DESCRIPTION OF THE PUBLIC NEED FOR THE IMPROVEMENT, ALTERNATIVES TO THE IMPROVEMENT, (INCLUDING ALTERNATIVES NOT INVOLVING CAPITAL EXPENDITURES), THE ENVIRONMENTAL AND SOCIAL EFFECTS OF THE IMPROVEMENT AND ALL ACTIONS AND STEPS THEREFORE TAKEN BY THE COMMISSION WITH RESPECT TO THE IMPROVEMENT;)

((E) AN ESTIMATE OF THE PROBABLE IMPACT OF THE IMPROVEMENT ON THE RESPONSIBILITIES OF THE OTHER METROPOLITAN COMMISSIONS;)

((F) AN ESTIMATE OF THE ANNUAL OPERATING COSTS OF THE IMPROVEMENT AND THE SOURCES OF REVENUE AVAILABLE FOR PAYMENT OF SUCH COSTS;)

((G) AN EVALUATION OF THE RELATIVE PRIORITY OF THE IMPROVEMENT TAKING INTO CONSIDERATION OTHER CAPITAL IMPROVEMENTS DESCRIBED IN THE PROGRAM;)

((H) EACH PROGRAM SHALL INCLUDE SUCH ADDITIONAL INFORMATION AS THE COUNCIL OR COMMISSION MAY DEEM APPROPRIATE.)

(UPON A REQUEST FROM ANY LOCAL GOVERNMENTAL UNIT, THE COMMISSION SHALL HOLD A PUBLIC HEARING FOR THE PURPOSE OF RECEIVING TESTIMONY FROM LOCAL GOVERNMENTAL UNITS AND THE PUBLIC PRIOR TO SUBMISSION TO THE COUNCIL AS PROVIDED IN SUBDIVISION 2.)

*Subd. 1a. [REQUIREMENT; PURPOSE.] Each metropolitan agency shall adopt an implementation plan meeting the requirements of this section. The implementation plan must implement and effectuate the policy plan adopted by the council under section 473.146. Elements of the implementation plan must cover the period or periods prescribed in the council's policy plan.*

*Subd. 1b. [CONTENT.] The implementation plan must include the following:*

*(a) A statement of objectives and priorities for capital development, services, and system management;*

*(b) A statement of agency plans to achieve the objectives, describing the functions, services, and systems that will be provided by or under the direction or auspices of the agency;*

*(c) A statement of how the agency's objectives, priorities, and plans will implement and effectuate the council's policy plan;*

*(d) A statement of the fiscal implications of the agency's plan, including a statement of: (i) the anticipated expenditure of public and private funds, for capital developments, services, and system administration and management, and the changes in expenditure levels that the plan represents; (ii) the resources available under existing fiscal policy and additional resources, if any, that are or may be required to effectuate the agency's plan; (iii) any changes in agency policy on regional sources of revenue and changes in levels of debt, user charges, and taxes; (iv) other changes in existing fiscal policy, on regional revenues and intergovernmental aids respectively, that are expected or that the agency has recommended or may recommend; and (v) the effect on functions and levels and types of services, and the agency's contingency and cost-containment strategies, if the additional resources required to effectuate the agency's plan do not become available;*

*(e) A statement of the standards, criteria, and procedures that the agency will use in monitoring and evaluating the results of the implementation plan;*

*(f) A statement of the effect of the plan on the responsibilities of other governmental units; and*

(g) Other information that the council or agency deems appropriate.

The plan must include a services and systems management component that describes the levels and costs of services that will be provided to service areas and populations within the metropolitan area. The services and systems management component must describe: (a) service needs, objectives and priorities, (b) changes in existing services, (c) deployment of new services, (d) distribution and coordination of services, (e) delivery methods and providers, (f) system management and administration, (g) costs, (h) manner of finance and revenue sources, including federal and state funds, private funds, taxes, and user charges, and (i) fiscal effects.

The plan must include a capital investment component that sets forth a capital investment strategy and estimates the fiscal and other effects of the strategy. The capital investment component must specify, to the extent practicable, the capital improvements to be undertaken. For each improvement specified, the plan must describe: (a) need, function, objective, and relative priority; (b) alternatives, including alternatives not involving capital expenditures; (c) ownership and operating entity; (d) location and schedule of development; (e) environmental, social, and economic effects; (f) cost; (g) manner of finance and revenue sources, including federal and state funds, private funds, taxes, and user charges; and (h) fiscal effects, including an estimate of annual operating costs and sources of revenue to pay the costs.

Subd. 2. [(SUBMISSION TO) PROCEDURE; REVIEW AND APPROVAL BY COUNCIL.] The (DEVELOPMENT PROGRAM) implementation plan prepared by the metropolitan (COMMISSION SHALL) agency must be submitted to the council for review (AND APPROVAL OR DISAPPROVAL) at the time or times stated in the policy plan. The agency shall hold a public hearing on the plan before submitting it to the council and shall transmit a report of the hearing to the council along with the plan. The council shall complete its review within 90 days after receipt of the proposed (DEVELOPMENT PROGRAM) implementation plan. In the course of its review of the implementation plan the council shall publish an analysis and evaluation of the success of the agency in effectuating the council's policy plan. If the council determines that the (PROGRAM) implementation plan is consistent with the policy plan it shall approve the (PROGRAM) plan as submitted. If it determines that the (PROGRAM) implementation plan or part thereof is inconsistent with the policy plan, it shall disapprove it and (RETURN IT TO) require the submitting (COMMISSION WITH COMMENTS AND THE COMMISSION SHALL) agency to make (APPROPRIATE) revisions in the (PROGRAM AND RESUBMIT IT TO THE COUNCIL FOR REVIEW AND APPROVAL OR DISAPPROVAL. BEFORE APPROVING A PROGRAM OR RETURNING IT TO THE SUBMITTING COMMIS-

SION, THE COUNCIL SHALL HOLD A PUBLIC HEARING FOR THE PURPOSE OF CONSIDERING THE PROGRAM AND THE COUNCIL'S COMMENTS THEREON, IF REQUESTED TO DO SO BY THE AFFECTED COMMISSION. THE COUNCIL MAY APPROVE OR DISAPPROVE A DEVELOPMENT PROGRAM IN WHOLE OR IN PART.) *implementation plan necessary to bring it into conformance with the policy plan. The agency shall make the revisions required by the council within 60 days, or a longer period agreed to by the council, and resubmit the plan to the council for review. If the agency refuses to make the revisions required by the council in the time allowed, the council shall hold a public hearing on the matter in dispute. At the hearing the council shall make an affirmative presentation of its position on the required revisions, shall allow the agency to present its objections to the revisions, and shall allow all persons to present their views on the matter. Following the hearing the council shall prepare a report on the hearing, including a summary of the disagreeing positions of the council and the agency, and shall make a final decision on the revision. If the council decides to require revision, the council's decision shall contain specific changes in the implementation plan. The changes contained in the council's decision are binding on the agency and are part of the implementation plan required to be adopted and implemented by the agency under subdivision 3.*

Subd. 2a. [AMENDMENT.] (WITHIN TWO YEARS OF THE APPROVAL OF ITS FIRST DEVELOPMENT PROGRAM BY THE COUNCIL AND) At least biennially (THEREAFTER) each (COMMISSION) *metropolitan agency* shall review the (PROGRAM) *implementation plan*, make (SUCH) the revisions (AS ARE) necessary (, INCLUDING AN UPDATING OF THE FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM,) and submit the (PROGRAM) *plan* to the council for its review (AND APPROVAL OR DISAPPROVAL) as (HEREIN) provided *in this section*.

Subd. 3. [ADOPTION; EFFECT (OF DEVELOPMENT PROGRAM).] (AFTER APPROVAL BY THE COUNCIL OF A DEVELOPMENT PROGRAM THE COMMISSION) *The metropolitan agency shall adopt and implement the (PROGRAM) implementation plan, with the revisions required by the council, within 60 days following council approval. (NO CAPITAL IMPROVEMENTS SHALL BE UNDERTAKEN BY THE METROPOLITAN COMMISSION UNLESS AUTHORIZED BY THE PROGRAM OR) The activities of the agency must be consistent with its approved and adopted implementation plan or be specifically approved by the council. The council (SHALL) may not approve any (IMPROVEMENT) activity not in substantial conformance with the appropriate policy plan.*

Sec. 14. [473.1623] [METROPOLITAN GOVERNMENTAL UNITS; FINANCIAL REPORTING AND MANAGEMENT.]

*Subdivision 1. [PURPOSE.] The purpose of this section is to enhance the efficiency, effectiveness, and responsiveness of metropolitan governmental units and services, by improving coordination among metropolitan governmental units in financial reporting and management for metropolitan systems and services.*

*Subd. 2. [FINANCIAL REPORTING AND MANAGEMENT ADVISORY COMMITTEE.] A financial reporting and management advisory committee is created, consisting of the chairs of the following metropolitan governmental units: the council, waste control commission, transit board, airports commission, and sports facilities commission. The committee is established to assist and advise the council and other governing boards in meeting the requirements of this section. Staff and administrative services for the committee must be provided by the member units. Other governmental units and agencies shall make financial information available upon request.*

*Subd. 3. [FINANCIAL REPORT.] (1) By December 15 of even-numbered years, the council, in consultation with the advisory committee, shall publish a consolidated financial report for all metropolitan governmental units, functions, services, and systems. The financial report must cover the calendar year in which the report is published and the two years preceding and three years succeeding that year. The financial report must contain the following information, for each unit, function, or system, respectively, and in the aggregate, in a consistent format that allows comparison over time and among agencies in expenditure and revenue categories:*

*(a) financial policies, goals, and priorities;*

*(b) levels and allocation of public expenditure, including capital, debt, operating, and pass through funds, stated in the aggregate and by appropriate functional, programmatic, administrative, and geographic categories, and the changes in expenditure levels and allocations that the report represents;*

*(c) the resources available under existing fiscal policy;*

*(d) additional resources, if any, that are or may be required;*

*(e) changes in agency policies on regional sources of revenue and in levels of debt, user charges, and taxes;*

*(f) other changes in existing fiscal policy, on regional revenues and intergovernmental aids respectively, that are expected or that have been or may be recommended by the respective agencies;*



(g) *an analysis that links, as far as practicable, the uses of funds and the sources of funds, by appropriate categories and in the aggregate;*

(h) *a description of how the fiscal policies effectuate current policy and implementation plans of the governmental units concerned; and*

(i) *a summary of significant changes in agency finance and an analysis of fiscal trends.*

*The council shall present the report for discussion and comment at a public meeting in the metropolitan area and request, in writing, an opportunity to make presentations on the report before appropriate committees of the legislature.*

**Subd. 4. [FINANCIAL REPORTING; BUDGETING.]** *The advisory committee, with the assistance of the state auditor and the legislative auditor, shall develop uniform or consistent standards, formats, and procedures for the budgets and financial reports of all metropolitan governmental units. The council shall report to the legislature from time to time on progress made by the committee in improving the uniformity and quality of budgets and financial reports and on legislation that may be needed for this purpose.*

**Subd. 5. [ADMINISTRATIVE COORDINATION.]** *The advisory committee shall evaluate the benefits, costs, methods, and effects, including operational effects, of joint or uniform and coordinated exercise of powers by metropolitan governmental units for appropriate administrative functions. The study must include at least contracts, purchasing, data processing, and personnel. The council shall report to the legislature on the findings and recommendations of the advisory committee to date by January 1, 1987, and on legal and other impediments to increased coordination of administrative functions. Before submitting the report, the council shall request comments on the report from the affected governmental units, and the comments must be submitted along with the report.*

**Sec. 15.** Minnesota Statutes 1984, section 473.163, subdivision 1, is amended to read:

**Subdivision 1. [REQUIREMENT.]** *Each metropolitan (COMMISSION) agency shall prepare a proposed budget (FOR CALENDAR YEAR 1976 AND EACH CALENDAR YEAR THEREAFTER. THE PROPOSED BUDGET SHALL BE PREPARED ON OR BEFORE) by August 1 (, 1975 AND) of each year (THEREAFTER). The budget must be consistent with and effectuate the implementation plan. The budget (SHALL) must show for each (SUCH) year:*

(a) The estimated operating revenues from all sources including funds on hand at the beginning of the year, and estimated expenditures for costs of operation, administration, maintenance, and debt service; (AND)

(b) Capital improvement funds estimated to be on hand at the beginning of the year and estimated to be received during the year from all sources and estimated cost of capital improvements to be paid out or expended during the year; all in such detail and form as the council may prescribe; and

(c) *The estimated source and use of pass-through funds.*

Sec. 16. Minnesota Statutes 1984, section 473.163, subdivision 2, is amended to read:

Subd. 2. [PROCEDURE; APPROVAL OF COUNCIL.] (BETWEEN) *As early as practicable before August (1 AND SEPTEMBER 1) 15 of each year, the (COMMISSION) agency shall hold a public hearing on a draft of the proposed budget. Along with the draft, the agency shall publish a report on user charges. The report must include an estimate and analysis of the changes in user charges, rates, and fees that will be required by the agency's budget. Not less than 14 days before the hearing, the (COMMISSION) agency shall publish notice (THEREOF) of the hearing in a newspaper having general circulation in the metropolitan area, stating the date, time and place of hearing, and the place where the proposed budget and report on user charges may be examined by any interested person. Following the hearing, the agency shall publish a report of the hearing that summarizes the comments received and the agency's response. Until the budget for agency fiscal year 1990, those parts of the budget relating to revenues and expenditures for capital improvements (SHALL) must be submitted to the council (ON OR BEFORE) by August (1) 15 of each year (AND SHALL BE SUBJECT TO) for review and approval by the council. If council approval is required the council shall act to approve or disapprove by October 1 of each year. Before December 15 of each year the (COMMISSION, AFTER OBTAINING APPROVAL OF THE COUNCIL FOR ANY CHANGES IN THE CAPITAL IMPROVEMENTS BUDGET,) agency shall by resolution adopt a final budget. Each (COMMISSION) agency shall file its final budget with the council on or before December 20 of each year. The council shall file the budgets with the secretary of the senate and the clerk of the house of representatives not later than January 1 of each year.*

Subd. 2a. [EFFECT.] Except in an emergency, for which procedures (SHALL) *must* be established by the (COMMISSION) agency, the (COMMISSION) agency and its officers, agents and employees (SHALL) *may* not spend money for any purpose, other than debt service, without an appropriation by the (COMMISSION OR IN EXCESS OF THE AMOUNT APPROPRIATED THEREFOR) agency, and no obligation to make

such an expenditure shall be enforceable except as the obligation of the person or persons incurring it. The creation of any debt obligation or the receipt of any federal or state grant is a sufficient appropriation of the proceeds for the purpose for which it is authorized, and of the tax or other revenues pledged to pay the obligation and interest on it whether or not specifically included in any annual budget. (THE COMMISSION MAY,) After obtaining approval of the council, *if required under subdivision 2, the agency may* amend the (CAPITAL IMPROVEMENTS) budget at any time by transferring any appropriation from one purpose to another, except appropriations of the proceeds of bonds issued for a specific purpose. (THE COUNCIL SHALL FILE THE BUDGETS OF ALL COMMISSIONS WITH THE SECRETARY OF THE SENATE AND THE CLERK OF THE HOUSE OF REPRESENTATIVES NOT LATER THAN JANUARY 15 OF EACH YEAR.)

Sec. 17. Minnesota Statutes 1984, section 473.303, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] The commission shall consist of eight members, plus a chairman appointed as provided in subdivision 3. The metropolitan council shall appoint the eight members (ON A NONPARTISAN BASIS.)

(ONE MEMBER SHALL BE APPOINTED FROM EACH OF THE FOLLOWING COMMISSION DISTRICTS:)

((1) COMMISSION DISTRICT A, CONSISTING OF COUNCIL DISTRICTS 1 AND 2;)

((2) COMMISSION DISTRICT B, CONSISTING OF COUNCIL DISTRICTS 3 AND 7;)

((3) COMMISSION DISTRICT C, CONSISTING OF COUNCIL DISTRICTS 4 AND 5;)

((4) COMMISSION DISTRICT D, CONSISTING OF COUNCIL DISTRICTS 6 AND 10;)

((5) COMMISSION DISTRICT E, CONSISTING OF COUNCIL DISTRICTS 8 AND 9;)

((6) COMMISSION DISTRICT F, CONSISTING OF COUNCIL DISTRICTS 11 AND 12;)

((7) COMMISSION DISTRICT G, CONSISTING OF COUNCIL DISTRICTS 13 AND 14; AND)

((8) COMMISSION DISTRICT H, CONSISTING OF COUNCIL DISTRICTS 15 AND 16) *in accordance with the provisions of section 473.141.*

Sec. 18. Minnesota Statutes 1984, section 473.303, subdivision 4a, is amended to read:

Subd. 4a. [TERMS.] Following each apportionment of metropolitan council districts, as provided under section 473.123, subdivision 3a, the (TERMS OF MEMBERS AND THE CHAIRMAN OF THE COMMISSION SHALL COMMENCE ON THE EFFECTIVE DATE OF THAT APPORTIONMENT,) *metropolitan council appointed* as provided in section 473.123, subdivision 3a, *shall appoint a chair and eight commission members from newly drawn districts.* The terms of members and chairmen are as follows: members representing commission districts A, B, C, and D, and the chairman of the commission, for terms ending the first Monday in January of the year ending in the numeral "7"; members representing commission districts E, F, G, and H, for terms ending the first Monday in January of the year ending in the numeral "5." Thereafter the term of each member and the chairman is four years, *with terms ending the first Monday in January*, except that all terms expire on the effective date of the next apportionment. The chairman shall continue to serve until a successor is appointed and qualified. A member shall continue to serve his commission district until a successor is appointed and qualified; except that, following each apportionment, the member shall continue to serve at large until the metropolitan council appointed pursuant to section 473.123, subdivision 3a appoints eight commission members as provided under subdivision 2, to serve terms as provided under this subdivision. *The appointments to the commission must be made by the first Monday in May of the year in which the term ends.*

Sec. 19. Minnesota Statutes 1985 Supplement, section 473.38, subdivision 2, is amended to read:

Subd. 2. [FINANCIAL PLAN; COUNCIL APPROVAL.] Along with its annual budget, each *even-numbered* year the board shall prepare a financial plan for the succeeding three calendar years, in half-year segments. The financial plan must be consistent with the board's implementation plan and must contain the elements specified in section (473.377, SUBDIVISION 2, CLAUSES (A), (E), (F), AND (G)) 14, *subdivision 3.* The financial plan (PREPARED IN EVEN-NUMBERED YEARS) must contain a proposed request for state financial assistance for the succeeding biennium. The board shall submit the financial plan to the council for review and approval or disapproval. The council may approve or disapprove in whole or in part. The council may disapprove only for inconsistency with the policy plan of the council.

Sec. 20. [REPEALER.]

*Minnesota Statutes 1984, sections 473.121, subdivision 7; 473.163, subdivisions 3 and 4; 473.373, subdivision 3; 473.377; and 473.38, subdivision 1, are repealed.*

## Sec. 21. [APPLICATION.]

*Sections 1 to 20 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington. Sections 10 to 13 are effective for plans and plan amendments adopted after January 1, 1987, and do not apply to the amendments to the transportation policy plan and transit implementation plan required to be adopted in 1986 by Laws 1984, chapter 654, article 3, sections 108 and 118.*

## Sec. 22. [INSTRUCTION TO REVISOR.]

*The revisor of statutes is directed to change the phrase "metropolitan commission" to "metropolitan agency" and the word "commission" to "agency," if it refers to a metropolitan agency, wherever they appear in chapter 473, except as otherwise provided in section 3, in the next and subsequent editions of the statutes.*

## Sec. 23. [REPORT.]

*The report required in 1986 by section 14, subdivision 3, should be in the scope and detail that the council, in consultation with the advisory committee, deems appropriate and practicable."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Fjoslien from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 2014, A bill for an act relating to elections; making changes in registration, caucuses, ballots, affidavits of candidacy and withdrawal; nominations, election certificates, and election judge qualifications; amending Minnesota Statutes 1984, sections 201.018, subdivision 2; 201.095; 201.12, subdivision 2; 201.15, subdivision 1; 202A.11, subdivision 2; 202A.16, subdivision 1; 204B.03; 204B.06, subdivision 1; 204B.07, subdivision 4; 204B.09, subdivision 1; 204B.10, by adding a subdivision; 204B.12, subdivision 3; 204B.35, subdivision 2; 204C.40, subdivision 1; 204D.11, subdivisions 3, 5, and 6; 206.71, by adding a subdivision; and 208.03.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 2

Page 9, after line 32, insert:

"Sec. 19. [EFFECTIVE DATE.]

*This act is effective the day after final enactment."*

Renumber the sections accordingly

Amend the title as follows :

Page 1, line 7, delete "201.095;"

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 1016, 1568, 1757, 1772, 1800, 1807, 1815, 1824, 1851, 1885, 1926, 1928, 1962, 1991 and 2014 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced :

Kvam, Redalen, Uphus, Waltman and Omann introduced :

H. F. No. 2127, A bill for an act relating to taxation; delaying payment of second installment of property taxes on agricultural property; delaying payment of first installment of property taxes on agricultural homestead property for 1986 only; appropriating money; amending Minnesota Statutes 1984, sections 276.09; 276.10; 278.03; Minnesota Statutes 1985 Supplement, sections 278.05, subdivision 5; and 279.01, subdivision 1.

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

McKasy introduced :

H. F. No. 2128, A bill for an act relating to taxation; authorizing the commissioner of revenue to pay the cost of collection agencies; changing the payment of fees for recording certain liens; removing the homestead exemption from liens; authorizing the renewal of liens; limiting the enforcement of liens on homesteads; changing the interest rate paid on refunds; increasing penalties for failure to file income tax returns; requiring tax clearance certificates prior to issuing or renewing business or professional licenses and removing the sunset; providing for

the furnishing of certain information to the supreme court or certain professional bodies; requiring social security numbers on homestead applications; providing penalties; providing a sales tax on intoxicating liquor at the wholesale level; appropriating money; amending Minnesota Statutes 1984, sections 60.17, by adding a subdivision; 82.27, by adding a subdivision; 148.10, by adding a subdivision; 150A.08, by adding a subdivision; 270.69, by adding a subdivision; 270.72, subdivisions 1, 2, and 3; 290.53, subdivision 2; 290.61; 297A.01, subdivision 9; 297A.02, by adding a subdivision; 297A.03, subdivision 2; 297A.04; 297A.08; 297A.18; 297A.27, subdivision 1; 297A.275; 297A.28; 297A.43; and 326.20, by adding a subdivision; amending Minnesota Statutes 1985 Supplement, sections 147.021, by adding a subdivision; 270.063; 270.69, subdivisions 2, 3, and 4; 270.76; and 273.124, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 297A; repealing Minnesota Statutes 1984, sections 270.72, subdivision 5; and 297A.02, subdivision 3.

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

Nelson, K., introduced:

H. F. No. 2129, A bill for an act relating to local government; providing for the membership of the city of Minneapolis and Hennepin county building commission; amending Laws 1903, chapter 247, section 1, as amended.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Sparby, Beard, Begich, Thorson and Fjoslien introduced:

H. F. No. 2130, A bill for an act relating to public safety; regulating transportation of firearms and bows; amending Minnesota Statutes 1984, section 100.29, subdivision 5.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Seaberg, McKasy and Metzen introduced:

H. F. No. 2131, A bill for an act relating to local government; permitting the establishment of special service districts in the city of Mendota Heights; providing taxing and other financial authority for the city.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Kelly, Vellenga, Valento, Clark and Stanius introduced:

H. F. No. 2132, A bill for an act relating to metropolitan government; providing for the appointment of a senior citizen to the regional transit board; amending Minnesota Statutes 1985 Supplement, section 473.373, subdivision 4.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Segal introduced:

H. F. No. 2133, A bill for an act relating to health; requiring a mortality study of cancer in St. Louis Park; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Boo and Frederick introduced:

H. F. No. 2134, A bill for an act relating to human services; creating a service for the blind and visually handicapped in the department of jobs and training; providing for appeals; providing a penalty; amending Minnesota Statutes 1985 Supplement, sections 13.46, subdivision 2; 248.07, subdivisions 1, 2, 3, 4, 5, 7, 12, 14, 14a, and 15; proposing coding for new law in Minnesota Statutes, chapters 13 and 248; repealing Minnesota Statutes 1985 Supplement, section 248.08.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Gutknecht, Clark, Greenfield, Dempsey and Knickerbocker introduced:

H. F. No. 2135, A bill for an act relating to health insurance; providing health insurance for certain retired teachers; amending Minnesota Statutes 1984, section 62E.14, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62E.

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



Bennett introduced:

H. F. No. 2136, A bill for an act relating to traffic regulations; requiring increased insurance coverage upon conviction of certain alcohol- and drug-related crimes; authorizing the commissioner to grant certain provisional licenses; amending Minnesota Statutes 1984, section 169.121, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 171.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Rose, Vanasek, Stanius and Simoneau introduced:

H. F. No. 2137, A bill for an act relating to game and fish; designation and use of waterfowl feeding or resting areas; amending Minnesota Statutes 1984, section 99.26, subdivision 5.

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

Rose and Stanius introduced:

H. F. No. 2138, A bill for an act relating to natural resources; disposition of wild rice license fees; amending Minnesota Statutes 1984, section 97.49, by adding a subdivision.

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

Battaglia, Begich and Elioff introduced:

H. F. No. 2139, A bill for an act relating to natural resources; extending provisions relating to loggers permits; amending Laws 1985, First Special Session chapter 13, section 219, subdivisions 2 and 5.

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

Beigich, Battaglia, Minne, Elioff and Solberg introduced:

H. F. No. 2140, A bill for an act relating to taxation; reducing the taconite railroad gross earnings tax rate; reducing occupation and royalty tax rates; providing for the deduction of taconite production taxes and transportation costs; amending Minnesota Statutes 1985 Supplement, sections 294.22; 298.01, subdivision 1; 298.03; and 299.01, subdivision 1.

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

Waltman, Redalen, Sparby, Frerichs and Johnson introduced:

H. F. No. 2141, A bill for an act relating to agriculture; requiring certain corporate owners of agricultural land to pay the state for damage to certain conservation improvements; requiring valuation of certain agricultural land held by corporations at more than the market value; amending Minnesota Statutes 1984, sections 273.11, subdivision 1; and 500.24, by adding subdivisions.

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

Becklin, Sparby, Solberg, Sviggum and Waltman introduced:

H. F. No. 2142, A bill for an act relating to government operations; requiring policy on location of state buildings and facilities; requiring a study and report regarding the location and benefits of state jobs; proposing coding for new law in Minnesota Statutes, chapter 116K.

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

Poppenhagen, Redalen, Jacobs and Rose introduced:

H. F. No. 2143, A bill for an act relating to utilities; permitting certain energy cost adjustments; amending Minnesota Statutes 1984, section 216B.16, subdivision 7.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Solberg and Neuenschwander introduced:

H. F. No. 2144, A bill for an act relating to independent school district No. 318, Grand Rapids; authorizing the transfer of certain taconite taxes to the district for payment of a portion of debt service on general obligation bonds of the district issued to finance acquisition and betterment of school buildings and facilities; appropriating money.

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

Dyke introduced:

H. F. No. 2145, A bill for an act relating to taxation; income; continuing the subtraction for interest on certain family farm security loans; amending Minnesota Statutes 1985 Supplement, section 290.01, subdivision 20b.

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

Carlson, D., introduced:

H. F. No. 2146, A bill for an act relating to natural resources; requiring public access restrictions to be the same as lake use restrictions; amending Minnesota Statutes 1984, sections 378.32, subdivisions 2, 6, and 7; and 459.20; proposing coding for new law in Minnesota Statutes, chapter 378.

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

Ogren introduced:

H. F. No. 2147, A bill for an act relating to public safety; barring traffic citation quotas; proposing coding for new law in Minnesota Statutes, chapter 299D.

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

Sviggum, Redalen, Fjoslien, Sparby and Wenzel introduced:

H. F. No. 2148, A bill for an act relating to taxation; gasoline; exempting certain alcohol mixtures; amending Minnesota Statutes 1984, section 296.03.

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

Bishop; Blatz; Vellenga; Nelson, K., and Valento introduced:

H. F. No. 2149, A bill for an act relating to child support; clarifying determination of support under the child support guidelines; amending Minnesota Statutes 1984, sections 518.17, subdivision 5; and 518.551, subdivision 5.

The bill was read for the first time and referred to the Committee on Crime and Family Law.

Kvam and Burger introduced:

H. F. No. 2150, A bill for an act relating to taxation; exempting from income taxation federal employees' retirement benefits paid to persons under age 65; amending Minnesota Statutes 1985 Supplement, section 290.08, subdivision 26.

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

Greenfield, Rice, Begich, Simoneau and Ogren introduced:

H. F. No. 2151, A bill for an act relating to crimes; repealing the crime of criminal syndicalism; repealing Minnesota Statutes 1984, section 609.405.

The bill was read for the first time and referred to the Committee on Crime and Family Law.

Price, McEachern and Jacobs introduced:

H. F. No. 2152, A bill for an act relating to education; requiring secondary and post-secondary information and pupil notification of attending a post-secondary institution; requiring courses for secondary or post-secondary credit; limiting partici-

pation at a post-secondary institution; authorizing payment for post-secondary summer sessions; establishing a task force on post-secondary enrollment options; amending Minnesota Statutes 1984, sections 123.741, subdivision 1; Minnesota Statutes 1985 Supplement, sections 123.3514, subdivision 5, and by adding subdivisions; 123.741, subdivision 6; and 123.742, subdivision 1a.

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

Boo and Clark introduced:

H. F. No. 2153, A bill for an act relating to education; establishing aid and levy for adult literacy programs; amending Minnesota Statutes 1984, section 275.125, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 124.

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

Boo; Munger; Carlson, D.; Schreiber and Neuenschwander introduced:

H. F. No. 2154, A bill for an act relating to taxation; sales and use; exempting materials consumed in certain manufacturing construction in distressed counties; amending Minnesota Statutes 1985 Supplement, sections 297A.15, subdivision 5; and 297A.257, by adding a subdivision.

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

Haukoos, Kvam, Rees, Osthoff and Carlson, L., introduced:

H. F. No. 2155, A bill for an act relating to credit unions; creating a credit union board to supervise and regulate credit unions; amending Minnesota Statutes 1984, sections 46.01, subdivision 1; 46.04, subdivision 1; 46.05; 46.09, subdivisions 1 and 2; 46.131, subdivisions 2 and 8; 46.23, subdivision 4; 52.01; 52.03, subdivision 3; 52.06, subdivisions 1 and 2; 52.061; 52.062, subdivisions 1, 2, and 3; 52.063; 52.064, subdivisions 1 and 2; 52.08; 52.09, subdivision 2; 52.141; 52.15, subdivision 2; 52.165, subdivision 2; 52.17, subdivisions 1 and 2; 52.20, subdivisions 1, 2, 4, 5, and 6; 52.201; 52.203; and 52.21; Minnesota

Statutes 1985 Supplement, sections 46.07, subdivision 2; 52.02, subdivision 3; 52.04, subdivision 1; and 52.24, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 52.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Kahn introduced:

H. F. No. 2156, A bill for an act relating to traffic regulations; extending the prohibition against wearing headphones while operating a motor vehicle to include bicycles; amending Minnesota Statutes 1984, section 169.471, subdivision 2.

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

Olsen, S.; Backlund; Nelson, K.; McEachern and Schafer introduced:

H. F. No. 2157, A bill for an act relating to education; permitting research sites on performance based education; permitting waiver of certain legal mandates; proposing coding for new law in Minnesota Statutes, chapter 121.

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

Clausnitzer introduced:

H. F. No. 2158, A bill for an act relating to human services; establishing principles for serving persons with mental retardation and related conditions; providing for comprehensive review of regulations and state and county relations; governing reimbursement to intermediate care facilities for persons with mental retardation and related conditions; providing for alternative correction plans for state hospitals; changing the funding formula for semi-independent living services; providing for an exception to the moratorium on construction of intermediate care facilities for persons with mental retardation and related conditions; appropriating money; amending Minnesota Statutes 1984, sections 252.025, by adding a subdivision; 252.275, subdivision 4; and 299F.011, by adding a subdivision; Minnesota Statutes 1985 Supplement, sections 252.291, subdivision 2; and 256B.092, by adding subdivisions; proposing coding for new law

in Minnesota Statutes, chapter 252; repealing Minnesota Statutes 1985 Supplement, section 256B.501, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Metzen and Fjoslien introduced:

H. F. No. 2159, A bill for an act relating to veterans; requiring the commissioner of veterans affairs to provide certain grave markers; appropriating money; amending Minnesota Statutes 1984, section 197.23.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Carlson, D., and Rose introduced:

H. F. No. 2160, A bill for an act relating to environment; providing for rewards for information leading to recovery of civil penalties and criminal fines for hazardous waste violations; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 115.

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

Ozment introduced:

H. F. No. 2161, A bill for an act relating to industrial development bonds; requiring the refund of application deposits to the city of Hastings.

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

Haukoos, Rose, Vanasek, Onnen and Ozment introduced:

H. F. No. 2162, A bill for an act relating to crimes; requiring health professionals to report certain burn injuries; amending Minnesota Statutes 1984, section 626.53; and Minnesota Statutes 1985 Supplement, section 626.52, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Crime and Family Law.

Ogren and Bennett introduced:

H. F. No. 2163, A bill for an act relating to commerce; removing the residency and incorporation requirements for licensed distributors and operators of video games of chance; amending Minnesota Statutes 1984, section 349.51, subdivision 2.

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

Dimler and Quist introduced:

H. F. No. 2164, A bill for an act relating to agriculture; ratifying the Interstate Compact on Agricultural Grain Marketing; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 236A.

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

Zaffke and Solberg introduced:

H. F. No. 2165, A bill for an act relating to historical sites; renaming a state historic site and establishing new boundaries; amending Minnesota Statutes 1984, section 138.58, subdivision 34.

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

Knickerbocker and Simoneau introduced:

H. F. No. 2166, A bill for an act relating to state government; ratifying certain labor agreements and compensation and salary plans; granting authority to the legislative commission on employee relations.

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



Piepho, Welle, Thorson, Marsh and Carlson, J., introduced:

H. F. No. 2167, A bill for an act relating to education; adding a nonvoting member to the higher education coordinating board to represent post-secondary faculty; creating a faculty advisory council to advise the higher education coordinating board; amending Minnesota Statutes 1984, section 136A.02, by adding a subdivision; amending Minnesota Statutes 1985 Supplement, section 136A.02, subdivision 1.

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

Miller, McDonald, Fjoslien and Thiede introduced:

H. F. No. 2168, A bill for an act relating to state government; changing certain procedures related to the state archaeologist and archaeologic sites; amending Minnesota Statutes 1984, sections 138.35, subdivision 1; and 138.40, subdivision 3.

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

Minne, Thiede, Marsh, Blatz and Otis introduced:

H. F. No. 2169, A bill for an act relating to state lands; providing for a procedure to sell state leased lands; providing for maximum lease rates; proposing coding for new law in Minnesota Statutes, chapter 92.

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

McPherson, Levi, Rose and Neuenschwander introduced:

H. F. No. 2170, A bill for an act relating to wild animals; authorizing the captive propagation and sale of raptors; amending Minnesota Statutes 1984, section 99.27, subdivision 1.

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

Waltman; Uphus; Johnson; Olson, E., and Anderson, G., introduced:

H. F. No. 2171, A bill for an act relating to transportation; providing for reimbursement to towns for costs of reconstructing and maintaining town roads used as a major access to public outdoor recreational area under the jurisdiction of a county or the state; amending Minnesota Statutes 1984, sections 162.08, subdivision 1; 162.081, subdivision 4; and 164.155, by adding a subdivision.

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

Redalen, Dyke, Frederickson, Boerboom and Miller introduced:

H. F. No. 2172, A bill for an act relating to taxation; property; removing the school district basic maintenance levy from agricultural land and buildings; reducing the agricultural school tax credit on certain property; providing a separate calculation of adjusted assessed value for the basic maintenance levy; changing the assessment ratio on certain agricultural homestead property; amending Minnesota Statutes 1984, sections 124.2131, subdivisions 1 and 2; 124A.02, subdivision 5, and by adding a subdivision; 124A.03, subdivision 1; 275.07, by adding a subdivision; and 275.28, subdivision 1; Minnesota Statutes 1985 Supplement, sections 124.2137, subdivision 1; 124A.02, subdivisions 7 and 8; 124A.03, subdivision 1a; 273.13, subdivision 23; repealing Minnesota Statutes 1984, section 124.2131, subdivision 4.

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

Valan introduced:

H. F. No. 2173, A bill for an act relating to natural resources; creating the state board of water and soil resources and providing for its administration and powers and duties; abolishing the state soil and water conservation board and the water resources board; amending the duties of the environmental quality board; amending Minnesota Statutes 1984, sections 40.01, subdivision 4; 40.035, subdivision 2; 105.73; 112.35, subdivision 4; 116C.03, subdivision 2; 473.876, by adding a subdivision; 473.877, subdivision 2; 473.8771, subdivisions 1 and 2; and 473.878, subdivisions

7 and 8; Minnesota Statutes 1985 Supplement, sections 40.03, subdivision 4; and 110B.02, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 110B; repealing Minnesota Statutes 1984, sections 40.03, subdivisions 1a, 2, and 3; 105.71; 116C.40, subdivision 3; Minnesota Statutes 1985 Supplement, sections 40.03, subdivision 1; and 116C.41, subdivision 2.

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

Valan introduced:

H. F. No. 2174, A bill for an act relating to crimes; requiring mandatory minimum sentences when a firearm or dangerous weapon is used during the commission of certain controlled substance crimes; amending Minnesota Statutes 1984, section 609.11, subdivision 9.

The bill was read for the first time and referred to the Committee on Crime and Family Law.

McPherson, Levi, Beard and Price introduced:

H. F. No. 2175, A bill for an act relating to real property; requiring that property taxes be paid before condominium plans may be recorded; amending Minnesota Statutes 1984, section 272.12.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Minne, Long, Bishop and Forsythe introduced:

H. F. No. 2176, A bill for an act relating to human rights; defining marital status discrimination to include actions against an individual because of the spouse's political status; amending Minnesota Statutes 1984, section 363.01, by adding a subdivision.

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

Krueger, Blatz, Price, Skoglund and Bishop introduced :

H. F. No. 2177, A bill for an act relating to nonprofit corporations; adoption services corporations; providing that pledges to make contributions to reimburse the corporation for expenses shall be voidable at the option of the person making the pledge and payment of expenses shall not be a prerequisite to providing adoption services; amending Minnesota Statutes 1984, section 317.65, subdivision 7.

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

Vanasek, Cohen, Greenfield and Clark introduced :

H. F. No. 2178, A bill for an act relating to guardianships and conservatorships; establishing a standard for best interests of the ward or conservatee; requiring findings regarding best interests; amending Minnesota Statutes 1984, sections 525.539, by adding a subdivision; 525.544; 525.551, subdivision 5; and 525.61.

The bill was read for the first time and referred to the Committee on Crime and Family Law.

Clark introduced :

H. F. No. 2179, A bill for an act relating to Indian land claims; establishing a commission to investigate and resolve land claim disputes on state-held land located within the White Earth Indian Reservation.

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

Marsh and Redalen introduced :

H. F. No. 2180, A bill for an act relating to education; establishing a master teacher position for industrial arts education in department of education; proposing coding for new law in Minnesota Statutes, chapter 121.

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

Bishop, Halberg, Forsythe, Vanasek and Long introduced :

H. F. No. 2181, A bill for an act relating to probate; providing for the exclusion of the homestead from the augmented estate; providing for the inclusion of certain insurance and other items in the augmented estate; amending Minnesota Statutes 1985 Supplement, section 524.2-202.

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

Gruenes introduced :

H. F. No. 2182, A bill for an act relating to human services; excluding certain programs from licensing requirements; amending Minnesota Statutes 1984, section 245.791.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Heap introduced :

H. F. No. 2183, A bill for an act relating to labor; creating the labor interpretative center; establishing an advisory council governing policies and program purposes; appropriating money.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Clark introduced :

H. F. No. 2184, A bill for an act relating to employment; requiring training of employees who may be exposed to infectious agents; amending Minnesota Statutes 1985 Supplement, section 182.653, subdivision 4f.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Sviggum and Piepho introduced:

H. F. No. 2185, A bill for an act relating to state government; providing for the use, administration, or disposal of certain fees and property within the jurisdiction of the commissioner of administration; amending Minnesota Statutes 1985 Supplement, sections 16B.29; 16B.42, subdivision 4; and 16B.48, subdivision 2.

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

Clark, Boo and Greenfield introduced:

H. F. No. 2186, A bill for an act relating to human services; reducing state aid for general assistance to counties which fail to provide literacy training; requiring certain recipients of general assistance to attend adult literacy training; amending Minnesota Statutes 1985 Supplement, sections 256D.03, subdivision 2; and 256D.05, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Frerichs, Gutknecht and Bishop introduced:

H. F. No. 2187, A bill for an act relating to Olmsted county; increasing the amount the county board may appropriate annually for use as a contingent fund; amending Laws 1965, chapter 433, section 1, as amended.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Becklin and Jennings, L., introduced:

H. F. No. 2188, A bill for an act relating to local government; permitting the establishment of special service districts in the cities of Cambridge and Lindstrom; providing taxing and other powers to the cities of Cambridge and Lindstrom.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Sarna, O'Connor, Begich, Ogren and Carlson, D., introduced:

H. F. No. 2189, A bill for an act relating to local government; requiring reimbursement to the state for certain uses of the national guard; providing an assessment procedure; proposing coding for new law in Minnesota Statutes, chapter 192.

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

Valan introduced:

H. F. No. 2190, A bill for an act relating to the family farm security program; authorizing the issuance of general obligation bonds to finance certain payments to be made by the state on family farm loan guarantees; appropriating money; amending Minnesota Statutes 1984, sections 41.51; and 41.56, subdivision 4b; Minnesota Statutes 1985 Supplement, section 41.61; and proposing coding for new law in Minnesota Statutes, chapter 41.

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

McEachern introduced:

H. F. No. 2191, A bill for an act relating to the city of Becker; authorizing a development fund; authorizing the creation of a board or agency to administer it.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Valan, Erickson, McEachern and Welle introduced:

H. F. No. 2192, A bill for an act relating to education; authorizing school districts to form education districts; providing for additional aid and levy for education districts; authorizing intermediate districts to use levies for education district purposes; authorizing grants to exemplary education districts; appropriating money; amending Minnesota Statutes 1984, sections 124.272, subdivisions 1, 2, 4, and by adding a subdivision; 136D.27; 136D.74, subdivision 2; 136D.87; Minnesota Statutes 1985 Supplement, sections 124.272, subdivision 3; and 275.125, subdivision 8a; proposing coding for new law in Minnesota Statutes, chapter 123.

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

Gruenes, Haukoos, McEachern and Piepho introduced:

H. F. No. 2193, A bill for an act relating to education; clarifying that private proprietary schools may provide certain placement information; modifying the expiration time for solicitor's permits; amending Minnesota Statutes 1984, section 141.26, subdivision 1; Minnesota Statutes 1985 Supplement, section 141.25, subdivision 10.

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

Carlson, D.; Ogren; Boo and Murphy introduced:

H. F. No. 2194, A bill for an act relating to education; establishing a task force to study the feasibility of a community college on the Fond du Lac reservation; appropriating money.

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

Olson, E., introduced:

H. F. No. 2195, A bill for an act relating to the city of McIntosh; authorizing the city to issue bonds in excess of its net debt limitations.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Dimler introduced:

H. F. No. 2196, A bill for an act relating to agriculture; requiring adoption of certain rules; authorizing certain agreements; amending Minnesota Statutes 1985 Supplement, sections 27.03, subdivision 2; and 223A.01, subdivision 2.

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



Clausnitzer introduced:

H. F. No. 2197, A bill for an act relating to the family; requiring a parent to provide health and dental insurance as support for a minor child; amending Minnesota Statutes 1984, section 518C.02, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 518; repealing Minnesota Statutes 1984, section 518.551, subdivision 8.

The bill was read for the first time and referred to the Committee on Crime and Family Law.

Shaver and Heap introduced:

H. F. No. 2198, A bill for an act relating to retirement; authorizing the purchase of allowable service credit by a certain member of the public employees retirement association.

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

Levi; McEachern; Olsen, S., and Thiede introduced:

H. F. No. 2199, A bill for an act relating to education; changing the petition requirements for certain petitions requiring referendum levy revocation elections; amending Minnesota Statutes 1984, section 124A.03, subdivision 2.

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

Brinkman introduced:

H. F. No. 2200, A bill for an act relating to state lands; authorizing sale of Pearl Lake lakeshore parcel in Stearns county.

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

Haukoos; Frerichs; Wynia; Carlson, L., and McPherson introduced:

H. F. No. 2201, A bill for an act relating to education; vocational; allowing aid anticipation borrowing for AVTI's; clarifying AVTI school days; requiring state director approval of capital improvements; allowing payment of teacher retirement and FICA contributions from fiscal year 1987; amending Minnesota Statutes 1984, sections 136C.07, by adding a subdivision; and 136C.35; and Laws 1985, First Special Session chapter 15, section 23, subdivision 2.

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

McPherson, Levi, Beard and Price introduced:

H. F. No. 2202, A bill for an act relating to Washington county; permitting the negotiated sale of certain property.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Welle and Voss introduced:

H. F. No. 2203, A bill for an act relating to education; vocational; removing licensure requirements for post-secondary AVTI teachers, supervisors, and administrators; amending Minnesota Statutes 1984, section 125.03, subdivision 1; 125.12, subdivisions 6a and 6b; 125.17, subdivision 11; 136C.05, subdivision 1; Minnesota Statutes 1985 Supplement, section 125.185, subdivision 4; repealing Minnesota Statutes 1984, section 121.11, subdivision 15; Minnesota Statutes 1985 Supplement, sections 125.031; and 136C.04, subdivision 9.

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

Welle introduced:

H. F. No. 2204, A bill for an act relating to education; vocational; requiring the state board of vocational technical education to adopt provisional licensing rules; amending Minnesota Statutes 1985 Supplement, sections 125.05, subdivision 6; and 136C.04, subdivision 9.

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

Wenzel, Ellingson, Begich, Omann and McDonald introduced:

H. F. No. 2205, A bill for an act relating to traffic regulations; modifying restrictions on loading of vehicles driven on highways; amending Minnesota Statutes 1984, section 169.81, subdivision 5.

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

Quinn, Schreiber, Pauly, Welle and Lieder introduced:

H. F. No. 2206, A bill for an act relating to taxation; sales; clarifying the application of the exemption for certain fundraising activities to certain school organizations; amending Minnesota Statutes 1985 Supplement, section 297A.256.

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

Rees, McDonald, Schafer and Frerichs introduced:

H. F. No. 2207, A bill for an act relating to intoxicating liquor; requiring municipal on-sale liquor stores to give equal sales emphasis to nonalcoholic beverages; proposing coding for new law in Minnesota Statutes, chapter 340A.

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

Redalen and Uphus introduced:

H. F. No. 2208, A bill for an act relating to agriculture; making changes related to agricultural credit and agricultural collateral; changing priority of security interests related to agricultural products; amending Minnesota Statutes 1984, sections 336.9-307; 336.9-312; 336.9-315; 336.9-402; and 336.9-403; proposing coding for new law in Minnesota Statutes, chapter 514.

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

Redalen introduced:

H. F. No. 2209, A bill for an act relating to agriculture; establishing a windbreak management program; exempting certain windbreaks from property taxes; providing a state-paid windbreak credit; appropriating money; amending Minnesota Statutes 1985 Supplement, section 272.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 40 and 273.

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

Kvam introduced:

H. F. No. 2210, A bill for an act relating to taxation; providing for reduction of the original assessed value of a tax increment financing district in the city of Litchfield.

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

## MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1636.

PATRICK E. FLAHAVEN, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 1636, A bill for an act relating to agriculture; providing for mediation before debt collection practices are initiated against agricultural property; establishing a farm mediation commission and prescribing powers and duties; establishing farm mediation boards; prescribing mediation notices and certain conditions before debt collection is started; providing for voluntary mediation; prescribing procedures for mandatory mediation; authorizing postponement orders and requiring farm financial plans under certain conditions; classifying certain data; authorizing closed meetings; authorizing rules; providing for appeals;

appropriating money; amending Minnesota Statutes 1984, section 336.9-501; proposing coding for new law in Minnesota Statutes, chapters 550; 559; 581; and 583.

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

### CONSENT CALENDAR

H. F. No. 1794, A bill for an act relating to human services; extending the deadline for permanent rules for nursing home reimbursement under the medical assistance program; amending Minnesota Statutes 1984, sections 144.072, subdivision 2; and 256B.431, subdivision 6.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 117 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Backlund	Forsythe	Levi	Ozment	Skoglund
Battaglia	Frederick	Lieder	Pauly	Solberg
Beard	Frederickson	Long	Peterson	Stanis
Becklin	Frerichs	Marsh	Piepho	Svigum
Begich	Greenfield	McDonald	Piper	Thiede
Bennett	Gruenes	McEachern	Poppenhagen	Thorson
Bishop	Gutknecht	McKasy	Price	Tjornhom
Blatz	Halberg	McLaughlin	Quinn	Tomlinson
Boerboom	Hartinger	McPherson	Quist	Tompkins
Boo	Hartle	Metzen	Rees	Tunheim
Brandl	Haukoos	Miller	Rest	Valan
Brinkman	Heap	Minne	Rice	Valento
Brown	Himle	Munger	Richter	Vanasek
Burger	Jacobs	Murphy	Riveness	Vellenga
Carlson, D.	Jennings, L.	Nelson, D.	Rodosovich	Voss
Carlson, J.	Johnson	Nelson, K.	Rose	Waltman
Carlson, L.	Kahn	Neuenschwander	Sarna	Welle
Clark	Kalis	Norton	Schafer	Wenzel
Dempsey	Kelly	Ogren	Schoenfeld	Wynia
Dimler	Kiffmeyer	Olsen, S.	Seaberg	Zaffke
Dyke	Knickerbocker	Olson, E.	Segal	Spk. Jennings, D.
Elioff	Knuth	Omann	Shaver	
Erickson	Kostohryz	Osthoff	Sherman	
Fjoslien	Krueger	Otis	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1882, A bill for an act relating to gasoline; changing the definition of agricultural alcohol gasoline; changing the identification marking on gasoline-alcohol blends; amending Minnesota Statutes 1985 Supplement, sections 296.01, subdivision 24; and 296.22, subdivision 13.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Erickson	Kostohryz	Otis	Shaver
Backlund	Fjoslien	Krueger	Ozment	Sherman
Battaglia	Forsythe	Levi	Pappas	Simoneau
Beard	Frederick	Lieder	Pauly	Skoglund
Becklin	Frederickson	Long	Peterson	Solberg
Begich	Frerichs	Marsh	Piepho	Stanis
Bennett	Greenfield	McDonald	Piper	Sviggum
Bishop	Gruenes	McKasy	Poppenhagen	Thiede
Blatz	Gutknecht	McLaughlin	Price	Thorson
Boerboom	Halberg	McPherson	Quinn	Tjornhom
Boo	Hartinger	Miller	Quist	Tomlinson
Brinkman	Hartle	Minne	Redalen	Tompkins
Brown	Haukoos	Munger	Rees	Tunheim
Burger	Heap	Murphy	Rest	Valan
Carlson, D.	Himle	Nelson, D.	Rice	Valento
Carlson, L.	Jacobs	Nelson, K.	Richter	Vanasek
Clark	Jennings, L.	Neuenschwander	Riveness	Vellenga
Clausnitzer	Johnson	Norton	Rodosovich	Voss
Dempsey	Kahn	Ogren	Rose	Waltman
DenOuden	Kalis	Olsen, S.	Schafer	Welle
Dimler	Kelly	Olson, E.	Scheid	Wenzel
Dyke	Kiffmeyer	Omann	Schoenfeld	Wynia
Elioff	Knickerbocker	Onnen	Seaberg	Zaffke
Ellingson	Knuth	Osthoff	Segal	Spk. Jennings, D.

Those who voted in the negative were:

McEachern      Sarna

The bill was passed and its title agreed to.

## GENERAL ORDERS

Pursuant to rules of the House, the House resolved itself into the Committee of the Whole with Jennings in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 1664 and 1844 were recommended to pass.

H. F. Nos. 1224, 1841, 1910 and 1930 were recommended for progress.

H. F. No. 1185 which it recommended to pass with the following amendment offered by Jacobs:

Page 1, lines 14 and 19 after "city" insert "or town"

On the motion of Levi the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Bishop moved to amend H. F. No. 1844, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 609.035, is amended to read:

**609.035 [CRIME PUNISHABLE UNDER DIFFERENT PROVISIONS.]**

Except as provided in section 609.251 (AND), 609.585, and sections 2, 3, and 4, if a person's conduct constitutes more than one offense under the laws of this state, he may be punished for only one of the offenses and a conviction or acquittal of any one of them is a bar to prosecution for any other of them. All the offenses, if prosecuted, shall be included in one prosecution which shall be stated in separate counts.

Sec. 2. Minnesota Statutes 1984, section 609.21, is amended by adding a subdivision to read:

*Subd. 3. [RESULTING IN MISCARRIAGE OR STILLBIRTH.] Whoever injures a pregnant woman as a result of operating a vehicle defined in section 169.01, subdivision 2, or an aircraft or watercraft,*

*(1) in a grossly negligent manner;*

*(2) in a negligent manner while under the influence of alcohol, a controlled substance, or any combination of those elements; or*

*(3) in a negligent manner while having an alcohol concentration of 0.10 or more, causing her to suffer a miscarriage or stillbirth, as defined in section 4, is guilty of criminal vehicular operation resulting in miscarriage or stillbirth and may be sen-*

tenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both. A prosecution for or conviction of a crime under this subdivision is not a bar to conviction of or punishment for any other crime committed by the defendant as part of the same conduct.

Sec. 3. Minnesota Statutes 1984, section 609.21, is amended by adding a subdivision to read:

*Subd. 4. [RESULTING IN INJURY TO THE FETUS.] Whoever injures a pregnant woman as a result of operating a vehicle defined in section 169.01, subdivision 2, or an aircraft or watercraft,*

*(1) in a grossly negligent manner;*

*(2) in a negligent manner while under the influence of alcohol, a controlled substance, or any combination of those elements; or*

*(3) in a negligent manner while having an alcohol concentration of 0.10 or more, causing injury to the fetus, as defined in section 4, which is subsequently born alive is guilty of criminal vehicular operation resulting in injury to a fetus and may be sentenced to imprisonment for not more than three years or to payment of a fine of not more than \$5,000, or both. A prosecution for or conviction of a crime under this subdivision is not a bar to conviction of or punishment for any other crime committed by the defendant as part of the same conduct.*

Sec. 4. [609.228] [INJURY TO PREGNANT WOMAN.]

*Subdivision 1. [DEFINITIONS.] (a) The definitions in this subdivision apply to this section.*

*(b) "Miscarriage" means the interruption of the normal development of the fetus, other than by a live birth or an induced abortion, resulting in the complete expulsion or extraction from a pregnant woman of a product of human conception.*

*(c) "Stillbirth" means the death of a fetus that occurs before complete expulsion or extraction from its mother, irrespective of the duration of pregnancy and that is not an induced abortion. Death is manifested by the fact that after the expulsion or extraction the fetus does not breathe spontaneously or show any other evidence of life such as heartbeat, pulsation of the umbilical cord, or definite movement of voluntary muscles.*

*(d) "Injury to the fetus" means either great bodily harm or substantial bodily harm, as those terms are defined in section 609.02.*



**Subd. 2. [MISCARRIAGE OR STILLBIRTH.]** *Whoever injures a pregnant woman in the commission of a felony or in a violation of section 609.224, 609.23, or 609.231, causing her to suffer a miscarriage or stillbirth as a result of that injury is guilty of a felony and may be sentenced to imprisonment for not more than ten years or to payment of a fine of not more than \$20,000, or both; except that, for purposes of this subdivision, the term "felony" does not include a violation of section 609.21.*

**Subd. 3. [INJURY TO THE FETUS.]** *Whoever injures a pregnant woman in the commission of a felony or in a violation of section 609.224, 609.23, or 609.231, causing injury to the fetus which is subsequently born alive is guilty of a felony and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both; except that, for purposes of this subdivision, the term "felony" does not include a violation of section 609.21.*

**Subd. 4. [OTHER CONVICTIONS NOT BARRED.]** *Notwithstanding section 609.04, a prosecution for or conviction of a crime under this section is not a bar to conviction of or punishment for any other crime committed by the defendant as part of the same conduct.*

**Subd. 5. [EXCEPTION.]** *This section does not apply to any act described in section 145.412, nor to any pregnant woman who causes injury to herself.*

## **Sec. 5. [EFFECTIVE DATE.]**

*Sections 1 to 4 are effective August 1, 1986, and apply to crimes committed on or after that date."*

Delete the title and insert:

**"A bill for an act relating to crimes; making it a felony to assault or injure a pregnant woman; expanding the crime of criminal vehicular operation; imposing penalties; amending Minnesota Statutes 1984, sections 609.035; and 609.21, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 609."**

The question was taken on the Bishop amendment and the roll was called. There were 32 yeas and 94 nays as follows:

Those who voted in the affirmative were:

Bishop	Jennings, L.	Munger	Piper	Skoglund
Brandl	Kahn	Nelson, D.	Price	Tomlinson
Carlson, L.	Knuth	Nelson, K.	Rest	Vellenga
Clark	Levi	Norton	Riveness	Wynia
Cohen	Long	Osthoff	Segal	
Frerichs	McLaughlin	Otis	Shaver	
Greenfield	Minne	Pappas	Simoneau	

Those who voted in the negative were:

Anderson, G.	Dyke	Knickerbocker	Ozment	Solberg
Backlund	Elioff	Kostohryz	Pauly	Stanius
Battaglia	Ellingson	Krueger	Peterson	Sviggum
Beard	Erickson	Kvam	Piepho	Thiede
Becklin	Fjoslien	Lieder	Poppenhagen	Thorson
Begich	Forsythe	Marsh	Quinn	Tjornhom
Bennett	Frederick	McDonald	Quist	Tompkins
Blatz	Frederickson	McEachern	Redalen	Tunheim
Boerboom	Gruenes	McKasy	Rees	Uphus
Boo	Gutknecht	McPherson	Rice	Valan
Brinkman	Hartinger	Metzen	Richter	Valento
Brown	Hartle	Miller	Rodosovich	Vanasek
Burger	Haukoos	Murphy	Sarna	Voss
Carlson, D.	Heap	Neuenschwander	Schafer	Waltman
Carlson, J.	Jacobs	Ogren	Scheid	Welle
Clausnitzer	Johnson	Olsen, S.	Schoenfeld	Wenzel
Dempsey	Kalis	Olson, E.	Schreiber	Zaffke
DenOuden	Kelly	Omman	Seaberg	Spk. Jennings, D.
Dimler	Kiffmeyer	Onnen	Sherman	

The motion did not prevail and the amendment was not adopted.

The question was taken on the motion to recommend passage of H. F. No. 1844 and the roll was called. There were 107 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Backlund	Elioff	Knuth	Ozment	Solberg
Battaglia	Ellingson	Kostohryz	Pauly	Stanius
Beard	Erickson	Krueger	Peterson	Sviggum
Becklin	Fjoslien	Kvam	Piepho	Thiede
Begich	Forsythe	Levi	Price	Thorson
Bennett	Frederick	Lieder	Quinn	Tjornhom
Bishop	Frederickson	Marsh	Quist	Tompkins
Blatz	Frerichs	McDonald	Redalen	Tunheim
Boerboom	Gruenes	McEachern	Rees	Uphus
Boo	Gutknecht	McKasy	Rest	Valan
Brandl	Halberg	McPherson	Rice	Valento
Brinkman	Hartinger	Metzen	Richter	Vanasek
Brown	Hartle	Miller	Rodosovich	Vellenga
Burger	Haukoos	Minne	Rose	Voss
Carlson, D.	Heap	Murphy	Sarna	Waltman
Carlson, J.	Himle	Neuenschwander	Schafer	Welle
Carlson, L.	Jacobs	Ogren	Scheid	Wenzel
Clausnitzer	Jennings, L.	Olsen, S.	Schoenfeld	Zaffke
Dempsey	Johnson	Olson, E.	Schreiber	Spk. Jennings, D.
DenOuden	Kalis	Omman	Seaberg	
Dimler	Kiffmeyer	Onnen	Shaver	
Dyke	Knickerbocker	Osthoff	Sherman	

Those who voted in the negative were:

Anderson, G.	Kahn	Norton	Piper	Skoglund
Clark	Long	Otis	Riveness	Tomlinson
Cohen	McLaughlin	Pappas	Simoneau	Wynia
Greenfield				

The motion prevailed.

## POINT OF ORDER

Vanasek raised a point of order pursuant to sections 400 and 404 of "Mason's Manual of Legislative Procedure" relating to the form of amendments and the amendment of bills by committees. The Speaker ruled the point of order not well taken.

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 628:

Rose, Redalen, Waltman, Neuenschwander and Jennings, L.

## MOTIONS AND RESOLUTIONS

Piepho moved that the name of Peterson be added as an author on H. F. No. 1733. The motion prevailed.

Tompkins moved that the names of McEachern, Becklin and Hartle be added as authors on H. F. No. 1760. The motion prevailed.

Uphus moved that the name of Frederick be added as an author on H. F. No. 1803. The motion prevailed.

Becklin moved that the name of Valento be stricken and the name of Rees be added as an author on H. F. No. 1894. The motion prevailed.

Clark moved that the names of Dimler and Piepho be added as authors on H. F. No. 1914. The motion prevailed.

Pappas moved that the name of Pauly be added as an author on H. F. No. 1921. The motion prevailed.

Marsh moved that the names of McLaughlin and Piepho be added as authors on H. F. No. 1984. The motion prevailed.

Bennett moved that the name of Begich be added as an author on H. F. No. 2038. The motion prevailed.

Fjoslien moved that the name of Bennett be added as an author on H. F. No. 2097. The motion prevailed.

Sviggum moved that the name of Ozment be shown as chief author and the name of Sviggum be shown as third author on H. F. No. 2099. The motion prevailed.

Tompkins moved that H. F. No. 2039 be recalled from the Committee on Commerce and Economic Development and be re-referred to the Committee on Local and Urban Affairs. The motion prevailed.

Vanasek moved that H. F. No. 1939 be recalled from the Committee on Transportation and be re-referred to the Committee on Education. The motion prevailed.

#### ADJOURNMENT

Levi moved that when the House adjourns today it adjourn until 2:00 p.m., Wednesday, February 19, 1986. The motion prevailed.

Levi moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Wednesday, February 19, 1986.

EDWARD A. BURDICK, Chief Clerk, House of Representatives