

STATE OF MINNESOTA

SEVENTY-SIXTH SESSION—1989

TWENTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 6, 1989

The House of Representatives convened at 2:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by Monsignor Terrence J. Murphy, President of the College of St. Thomas, St. Paul, Minnesota.

The roll was called and the following members were present:

Abrams	Girard	Krueger	Onnen	Seaberg
Anderson, G.	Greenfield	Lasley	Orenstein	Segal
Anderson, R.	Gruenes	Lieder	Osthoff	Simoneau
Battaglia	Gutknecht	Limmer	Ostrom	Skoglund
Bauerly	Hartle	Long	Otis	Solberg
Beard	Hasskamp	Lynch	Spzment	Sparby
Begich	Haukoos	Macklin	Pappas	Stanias
Bertram	Heap	Marsh	Pauly	Steensma
Bishop	Henry	McDonald	Pellow	Sviggum
Blatz	Himle	McEachern	Pelowski	Swenson
Boo	Hugoson	McGuire	Peterson	Tjornhom
Brown	Jacobs	McPherson	Poppenhagen	Tompkins
Burger	Janezich	Milbert	Price	Trimble
Carlson, D.	Jaros	Miller	Pugh	Tunheim
Carlson, L.	Jefferson	Morrison	Quinn	Uphus
Carruthers	Jennings	Munger	Redalen	Valento
Clark	Johnson, A.	Murphy	Rest	Vellenga
Conway	Johnson, R.	Nelson, C.	Rice	Wagenius
Cooper	Johnson, V.	Nelson, K.	Richter	Waltman
Dawkins	Kahn	Neuenschwander	Rodosovich	Weaver
Dempsey	Kalis	O'Connor	Rukavina	Welle
Dille	Kelly	Ogren	Runbeck	Wenzel
Dorn	Kelso	Olsen, S.	Sarna	Williams
Forsythe	Kinkel	Olson, E.	Schafer	Winter
Frederick	Knickerbocker	Olson, K.	Scheid	Wynia
Frerichs	Kostohryz	Omann	Schreiber	Spk. Vanasek

A quorum was present.

McLaughlin and Reding were excused.

Dauner was excused until 3:10 p.m. Bennett was excused until 3:35 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Skoglund 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. 269, 543, 627, 736, 945, 951, 966, 975 and 973 and S. F. Nos. 163, 218, 388, 134, 831, 271, 332, 916, 382, 82, 428, 273, 478, 133, 435, 701, 46, 260, 331, 200, 493, 618, 108, 114, 390, 192, 681, 560, 60 and 104 have been placed in the members' files.

S. F. No. 916 and H. F. No. 1090, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

McGuire moved that the rules be so far suspended that S. F. No. 916 be substituted for H. F. No. 1090 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 382 and H. F. No. 543, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Scheid moved that the rules be so far suspended that S. F. No. 382 be substituted for H. F. No. 543 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 163 and H. F. No. 973, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Bauerly moved that the rules be so far suspended that S. F. No. 163 be substituted for H. F. No. 973 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 831 and H. F. No. 975, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Steensma moved that S. F. No. 831 be substituted for H. F. No. 975 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 4, 1989

The Honorable Robert E. Vanasek
Speaker of the House of Representatives
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 27, relating to crimes; expanding the definition of "substantial bodily harm" in the crime of second degree assault of an unborn child to include premature birth.

H. F. No. 14, relating to crimes; restitution; revising current procedures relating to the ordering and collection of restitution.

Sincerely,

RUDY PERPICH
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

The Honorable Robert E. Vanasek
Speaker of the House of Representatives

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1989 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i> <i>No.</i>	<i>H.F.</i> <i>No.</i>	<i>Session Laws</i> <i>Chapter No.</i>	<i>Time and</i> <i>Date Approved</i> <i>1989</i>	<i>Date Filed</i> <i>1989</i>
25		19	14:03-April 4	April 4
	27	20	14:02-April 4	April 4
	14	21	14:01-April 4	April 4

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 71, A bill for an act relating to economic development; authorizing counties to establish economic development authorities; amending Minnesota Statutes 1988, sections 469.090, by adding a subdivision; 469.091, subdivision 1, and by adding a subdivision; 469.092, subdivisions 1, 3, 4, and 5; 469.093, subdivision 1; 469.094, subdivisions 1, 2, and 3; 469.095; 469.097, subdivisions 3, 5, and 6; 469.099, subdivision 3; 469.100, subdivisions 2, 3, 4, 5, and 6; 469.101, subdivisions 1, 4, 15, and 16; 469.102, subdivisions 1, 2, 4, and 5; 469.103, subdivisions 1 and 6; 469.105, subdivisions 1 and 4; and 469.107.

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 123, A bill for an act relating to courts; creating a new judicial district; amending Minnesota Statutes 1988, section 2.722, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 13, after "Mahnommen," insert "Lake of the Woods, Clearwater,"

Page 2, line 15, delete "seven" and insert "eight"

Page 2, line 22, delete "Lake of"

Page 2, line 23, delete "the Woods, Clearwater," and delete "13" and insert "12"

Page 2, after line 25, insert:

"Sec. 2. [APPROPRIATION.]

The sum of \$112,622 is appropriated from the general fund to the supreme court for implementation of section 1."

Amend the title as follows:

Page 1, line 2, after the second semicolon insert "appropriating money;"

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

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 127, A bill for an act relating to corporations; providing for the simplification of certain filings made with the office of the secretary of state; changing the recipients of certain notices; modifying the definition of address to include zip codes; appropriating money; amending Minnesota Statutes 1988, sections 302A.011, subdivision 3; 302A.123, subdivision 1; 302A.821, subdivision 1;

303.02, subdivision 5; 303.10, subdivision 2; 303.13, subdivision 2; 303.14, subdivision 1; and 303.17, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 5.

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

The report was adopted.

Skoglund from the Committee on Insurance to which was referred:

H. F. No. 150, A bill for an act relating to health care; providing a program of affordable health care coverage for Minnesota residents; creating a health care access commission to implement and administer the program; establishing eligibility requirements and funding sources; modifying income eligibility requirements for medical assistance; imposing penalties; appropriating money; amending Minnesota Statutes 1988, section 256B.056, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 290; proposing coding for new law as Minnesota Statutes, chapter 62J.

Reported the same back with the following amendments:

Page 2, line 4, delete "system" and insert "program of last resort"

Page 2, line 31, before the semicolon insert ", including its coordination with other government-subsidized programs"

Page 4, delete lines 34 to 36

Page 5, delete lines 1 to 4

Page 5, line 5, delete "4" and insert "3"

Page 5, line 13, delete "5" and insert "4"

Page 5, line 15, delete "expressed in"

Page 5, line 16, delete everything before "recognizing"

Page 5, line 30, after "(1)" insert "inpatient and outpatient" and delete "for not more than" and insert ", but coverage for inpatient hospital services shall not exceed" and before the semicolon insert "in any calendar year"

Page 5, line 32, after "conditions" insert "covered under this subdivision"

Page 5, line 34, after "(3)" insert "prenatal and well child care and other"

Page 6, line 2, delete everything after "(6)" and insert "maternity benefits, subject to section 62A.041,"

Page 7, line 3, delete "and"

Page 7, line 6, delete the period and insert "; and

(7) any charge for inpatient or outpatient mental health or chemical dependency treatment."

Page 7, line 19, delete "this subdivision" and insert "paragraph (a), clause (3)"

Page 7, after line 21, insert:

"(e) Coverage under this subdivision does not include any coverages otherwise required under chapters 62A, 62C, 62D, or 62E unless they are specifically referred to in this subdivision."

Page 7, line 36, delete "or"

Page 8, line 2, after "62E" insert "; or the state comprehensive health insurance plan,"

Page 8, line 10, delete "a person"

Page 8, delete lines 11 and 12 and insert "an individual who is currently and has been a resident of Minnesota for the six months immediately preceding the date of receipt by the commission or its carrier of a completed application for coverage and who meets the eligibility requirements of section 6."

Page 19, after line 29, insert:

"ARTICLE 3

Section 1. [SEVERABILITY.]

If any provision of articles 1 or 2 of this act are found to be unconstitutional and void, the remainder of those articles shall remain valid.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 159, A bill for an act relating to crimes; providing for termination, cancellation, and forfeiture of real estate interests related to contraband or controlled substance seizures; amending Minnesota Statutes 1988, sections 559.21, by adding a subdivision; 566.02; 609.531; 609.5311, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapters 566 and 609.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 566.02, is amended to read:

566.02 [UNLAWFUL DETENTION OF LANDS OR TENEMENTS SUBJECT TO FINE.]

When any person has made unlawful or forcible entry into lands or tenements, and detains the same, or, having peaceably entered, unlawfully detains the same, the person entitled to the premises may recover possession thereof in the manner hereinafter provided. A seizure under section 6, subdivision 1, for which there is not a defense under section 6, subdivision 3, constitutes unlawful detention by the tenant.

Sec. 2. [566.021] [NOTICE OF SEIZURE PROVISION.]

Landlords shall give written notice to tenants of the provision relating to seizures in section 566.02. Failure to give such notice does not subject the landlord to criminal or civil liability and is not a defense under section 6, subdivision 3.

Sec. 3. Minnesota Statutes 1988, section 609.531, is amended to read:

609.531 [FORFEITURES.]

Subdivision 1. [DEFINITIONS.] For the purpose of sections 609.531 to ~~609.5316~~ 609.5317, the following terms have the meanings given them.

(a) "Conveyance device" means a device used for transportation and includes, but is not limited to, a motor vehicle, trailer, snowmobile, airplane, and vessel and any equipment attached to it. The term "conveyance device" does not include property which is, in fact, itself stolen or taken in violation of the law.

(b) "Weapon used" means a weapon used in the furtherance of a crime and defined as a dangerous weapon under section 609.02, subdivision 6.

(c) "Property" means property as defined in section 609.52, subdivision 1, clause (1).

(d) "Contraband" means property which is illegal to possess under Minnesota law.

(e) "Appropriate agency" means the bureau of criminal apprehension, the Minnesota state patrol, a county sheriff's department, or a city or airport police department.

(f) "Designated offense" includes:

(1) For weapons used: any violation of this chapter;

(2) For all other purposes: a felony violation of, or a felony-level attempt or conspiracy to violate, section 609.185; 609.19; 609.195; 609.21; 609.221; 609.222; 609.223; 609.2231; 609.24; 609.245; 609.25; 609.255; 609.322, subdivision 1 or 2; 609.342, subdivision 1, clauses (a) to (f); 609.343, subdivision 1, clauses (a) to (f); 609.344, subdivision 1, clauses (a) to (e), and (h) to (j); 609.345, subdivision 1, clauses (a) to (e), and (h) to (j); 609.42; 609.425; 609.466; 609.485; 609.487; 609.52; 609.525; 609.53; 609.54; 609.551; 609.561; 609.562; 609.563; 609.582; 609.59; 609.595; 609.631; 609.671, subdivisions 3, 4, and 5; 609.687; 609.821; 609.825; 609.86; 609.88; 609.89; or 617.246.

(g) "Controlled substance" has the meaning given in section 152.01, subdivision 4.

Subd. 1a. [CONSTRUCTION.] Sections 609.531 to 609.5316 609.5317 must be liberally construed to carry out the following remedial purposes:

(1) to enforce the law;

(2) to deter crime;

(3) to reduce the economic incentive to engage in criminal enterprise;

(4) to increase the pecuniary loss resulting from the detection of criminal activity; and

(5) to forfeit property unlawfully used or acquired and divert the property to law enforcement purposes.

Subd. 4. [SEIZURE.] Property subject to forfeiture under sections 609.531 to ~~609.5316~~ 609.5317 may be seized by the appropriate agency upon process issued by any court having jurisdiction over the property. Property may be seized without process if:

- (1) the seizure is incident to a lawful arrest or a lawful search;
- (2) the property subject to seizure has been the subject of a prior judgment in favor of the state in a criminal injunction or forfeiture proceeding under this chapter; or
- (3) the appropriate agency has probable cause to believe that the delay occasioned by the necessity to obtain process would result in the removal or destruction of the property and that:
 - (i) the property was used or is intended to be used in commission of a felony; or
 - (ii) the property is dangerous to health or safety.

If property is seized without process under clause (3), subclause (i), the county attorney must institute a forfeiture action under section 609.5313 as soon as is reasonably possible.

Subd. 5. [RIGHT TO POSSESSION VESTS IMMEDIATELY; CUSTODY OF SEIZED PROPERTY.] All right, title, and interest in property subject to forfeiture under sections 609.531 to ~~609.5316~~ 609.5317 vests in the appropriate agency upon commission of the act or omission giving rise to the forfeiture. Any property seized under sections 609.531 to 609.5316 is not subject to replevin, but is deemed to be in the custody of the appropriate agency subject to the orders and decrees of the court having jurisdiction over the forfeiture proceedings. When property is so seized, the appropriate agency may:

- (1) place the property under seal;
- (2) remove the property to a place designated by it;
- (3) in the case of controlled substances, require the state board of pharmacy to take custody of the property and remove it to an appropriate location for disposition in accordance with law; and

(4) take other steps reasonable and necessary to secure the property and prevent waste.

Subd. 5a. [BOND BY OWNER FOR POSSESSION.] If the owner of property that has been seized under sections 609.531 to 609.5316 609.5317 seeks possession of the property before the forfeiture action is determined, the owner may, subject to the approval of the appropriate agency, give security or post bond payable to the appropriate agency in an amount equal to the retail value of the seized property. On posting the security or bond, the seized property must be returned to the owner and the forfeiture action shall proceed against the security as if it were the seized property. This subdivision does not apply to contraband property.

Subd. 6a. [FORFEITURE A CIVIL PROCEDURE; CONVICTION RESULTS IN PRESUMPTION.] (a) An action for forfeiture is a civil in rem action and is independent of any criminal prosecution, except as provided in this subdivision. The appropriate agency handling the forfeiture has the benefit of the evidentiary presumption of section 609.5314, subdivision 1, but otherwise bears the burden of proving the act or omission giving rise to the forfeiture by clear and convincing evidence, except that in cases arising under section 609.5312, the designated offense may only be established by a felony level criminal conviction.

(b) A court may not issue an order of forfeiture under section 609.5311 while the alleged owner of the property is in custody and related criminal proceedings are pending against the alleged owner. For forfeiture of a motor vehicle, the alleged owner is the registered owner according to records of the department of public safety. For real property, the alleged owner is the owner of record. For other property, the alleged owner is the person notified by the prosecuting authority in filing the forfeiture action.

Sec. 4. Minnesota Statutes 1988, section 609.5311, subdivision 2, is amended to read:

Subd. 2. [ASSOCIATED PROPERTY.] All property, real and personal, that has been used, or is intended for use, or has in any way facilitated, in whole or in part, the manufacturing, compounding, processing, delivering, importing, cultivating, exporting, transporting, or exchanging of contraband or a controlled substance that has not been lawfully manufactured, distributed, dispensed, and acquired is subject to forfeiture under this section, except as provided in subdivision 3.

Sec. 5. Minnesota Statutes 1988, section 609.5311, subdivision 3, is amended to read:

Subd. 3. [LIMITATIONS ON FORFEITURE OF CERTAIN PROPERTY ASSOCIATED WITH CONTROLLED SUBSTANCES.] (a) A

conveyance device is subject to forfeiture under this section only if the retail value of the controlled substance is \$500 or more.

(b) Real property is subject to forfeiture under this section only if the retail value of the controlled substance or contraband is \$5,000 or more.

(c) Property used by any person as a common carrier in the transaction of business as a common carrier is subject to forfeiture under this section only if the owner of the property is a consenting party to, or is privy to, the use or intended use of the property as described in subdivision 2.

(d) Property is subject to forfeiture under this section only if its owner was privy to the use or intended use described in subdivision 2, or the unlawful use or intended use of the property otherwise occurred with the owner's knowledge or consent.

(e) Forfeiture under this section of a conveyance device or real property encumbered by a bona fide security interest is subject to the interest of the secured party unless the secured party had knowledge of or consented to the act or omission upon which the forfeiture is based. A person claiming a security interest bears the burden of establishing that interest by clear and convincing evidence.

(f) Notwithstanding paragraphs (d) and (e), property is not subject to forfeiture based solely on the owner's or secured party's knowledge of the unlawful use or intended use of the property if the owner or secured party took reasonable steps to terminate use of the property by the offender.

Sec. 6. [609.5317] [REAL PROPERTY; SEIZURES.]

Subdivision 1. [RENTAL PROPERTY.] (a) When contraband or a controlled substance manufactured, distributed, or acquired in violation of chapter 152 is seized on residential rental property incident to a lawful search or arrest, whether or not the seizure results in criminal charges or conviction, the county attorney shall give the notice required by this subdivision to (1) the landlord of the property or the fee owner identified in the records of the county assessor, and (2) the agent authorized by the owner to accept service pursuant to section 504.22. The notice shall state what has been seized and specify the applicable duties and penalties under this subdivision. The notice shall state that the landlord who chooses to assign the right to bring an unlawful detainer action retains all rights and duties, including removal of a tenant's personal property following issuance of the writ of restitution and delivery of the writ to the sheriff for execution. The notice shall also state that the landlord may contact the county attorney if threatened by the tenant. Notice shall be sent by certified letter, return receipt requested, within 30 days of the seizure. If receipt is not returned,

notice shall be given in the manner provided by law for service of summons in a civil action.

(b) Within 15 days after notice of the first occurrence, the landlord shall bring, or assign to the county attorney of the county in which the real property is located, the right to bring an unlawful detainer action against the tenant. The assignment must be in writing on a form prepared by the county attorney. Should the landlord choose to assign the right to bring an unlawful detainer action, the assignment shall be limited to those rights and duties up to and including delivery of the writ of restitution to the sheriff for execution.

(c) Upon notice of a second occurrence involving the same tenant, the property is subject to forfeiture under sections 609.531, 609.5311, 609.5313, and 609.5315, unless an unlawful detainer action has been commenced as provided in paragraph (b) or the right to bring an unlawful detainer action was assigned to the county attorney as provided in paragraph (b). If the right has been assigned and not previously exercised, or if the county attorney requests an assignment and the landlord makes an assignment, the county attorney may bring an unlawful detainer action rather than an action for forfeiture.

Subd. 2. [ADDITIONAL REMEDIES.] Nothing in subdivision 1 prevents the county attorney from proceeding under section 609.5311 whenever that section applies.

Subd. 3. [DEFENSES.] It is a defense against a proceeding under subdivision 1, paragraph (b), that the tenant had no knowledge or reason to know of the presence of the contraband or controlled substance or could not prevent its being brought onto the property.

It is a defense against a proceeding under subdivision 1, paragraph (c), that the landlord made every reasonable attempt to evict a tenant or to assign the county attorney the right to bring an unlawful detainer action against the tenant, or that the landlord did not receive notice of the seizure.

Subd. 4. [LIMITATIONS.] This section shall not apply if the retail value of the contraband or controlled substance is less than the amount specified in section 609.5311, subdivision 3.

Sec. 7. [EFFECTIVE DATE; APPLICATION.]

Sections 1, 3, 4, 5, and 6 are effective on October 1, 1989, and apply to seizures of contraband or controlled substances occurring on or after that date.

On or before September 1, 1989, landlords shall give notice to tenants of residential rental property under an existing lease or

periodic rent agreement, that section 1 will become effective October 1, 1989.

All residential rental property leases or periodic rent agreements entered on or after September 1, 1989, must include the notice to the tenant required by section 2."

Delete the title and insert:

"A bill for an act relating to crimes; providing for termination, cancellation, and forfeiture of real estate interests related to contraband or controlled substance seizures; amending Minnesota Statutes 1988, sections 566.02; 609.531; 609.5311, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapters 566 and 609."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 169, A bill for an act relating to game and fish; authorizing elderly residents to take fish by spearing without a license; amending Minnesota Statutes 1988, section 97A.451, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 10, after "a" insert "spearing"

Page 1, line 13, delete "traveling" and insert "transporting speared fish"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 207, A bill for an act relating to public safety; establishing the board of jail employee training and standards; regulating jail employees; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 214.01, subdivision 3; 214.04, subdivisions 1 and 3; and 364.09; proposing coding for new law in Minnesota Statutes, chapter 214; proposing coding for new law as Minnesota Statutes, chapter 644.

Reported the same back with the following amendments:

Page 7, line 7, after the period insert "A licensed peace officer who works in a jail and who satisfactorily completes a training course or program may be granted credit toward hourly training requirements for both peace officer and jail employee licensing if each licensing board approves the training course or program."

Page 7, line 10, delete "13" and insert "15"

Page 7, line 11, delete "seven" and insert "six"

Page 7, line 22, delete "one member" and insert "three members"

Page 7, line 24, delete "one member" and insert "two members"

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

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 212, A bill for an act relating to the city of Hibbing; authorizing two additional on-sale liquor licenses.

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 215, A bill for an act relating to game and fish; providing for restitution for wild animals that are illegally killed or injured; providing for civil penalties for wild animals killed or injured; restricting expenditures from restitution to replacement and propagation of wild animals illegally killed or injured; amending Minnesota Statutes 1988, section 97A.065, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 97A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 97A.065, is amended by adding a subdivision to read:

Subd. 5. [RESTITUTION FOR WILD ANIMALS.] Money collected from restitution under section 2 for wild animals killed, injured, or possessed in violation of the game and fish laws must be used by the commissioner for replacement, propagation, or protection of wild animals.

Sec. 2. [97A.341] [RESTITUTION FOR WILD ANIMALS ILLEGALLY TAKEN.]

Subdivision 1. [LIABILITY FOR RESTITUTION.] A person who kills, injures, or possesses a wild animal in violation of the game and fish laws is liable to the state for the value of the wild animal as provided in this section. Species afforded protection include members of the following groups as defined by statute or rule: game fish, game birds, big game, small game, fur-bearing animals, minnows, and threatened and endangered animal species. Other animal species may be added by order of the commissioner as determined after public meetings and with the approval of the chairs of the environment and natural resources committees in the senate and house of representatives.

Subd. 2. [ARREST AND CHARGING PROCEDURE.] (a) An enforcement officer who arrests a person for killing, injuring, or possessing a wild animal in violation of the game and fish laws must describe the number, species, and restitution value of wild animals illegally killed, injured, or possessed on the warrant or the notice to appear in court.

(b) As part of the charge against a person arrested for killing, injuring, or possessing a wild animal in violation of the game and fish laws, the prosecuting attorney must include a demand that restitution be made to the state for the value of the wild animal killed, injured, or possessed. The demand for restitution is in addition to the criminal penalties otherwise provided for the violation.

Subd. 3. [SENTENCING PROCEDURE.] If a person is convicted of or pleads guilty to killing, injuring, or possessing a wild animal in violation of the game and fish laws, the court must require the person to pay restitution to the state for replacement of the wild animal as part of the sentence or state in writing why restitution was not imposed. The court may consider the economic circumstances of the person and, in lieu of monetary restitution, order the person to perform conservation work representing the amount of restitution that will aid the propagation of wild animals. If the court does not order a person to pay restitution, the court administrator must send a copy of the court order to the commissioner.

Subd. 4. [AMOUNT OF RESTITUTION.] The amount of restitution shall be determined by the court by a preponderance of the

evidence. In determining the amount of restitution, the court must consider the value of the wild animal under section 3.

Subd. 5. [RESTITUTION CREDITED TO GAME AND FISH FUND.] The court administrator shall forward restitution collected under this section to the commissioner of finance and the commissioner shall credit all money forwarded to the game and fish fund in the state treasury.

Sec. 3. [97A.345] [RESTITUTION VALUE OF WILD ANIMALS.]

(a) The commissioner may, by rules adopted under chapter 14, prescribe the dollar value to the state of species of wild animals. The value may reflect the value to other persons to legally take the wild animal, the replacement cost, or the intrinsic value to the state of the wild animals. Species of wild animals with similar values may be grouped together.

(b) The value of a wild animal under the rules adopted by the commissioner is prima facie evidence of a wild animal's value under section 2.

(c) The commissioner shall report annually to the legislature the amount of restitution collected under section 2 and the manner in which the funds were expended.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective August 1, 1989, and apply to game and fish law violations committed on or after that date."

Amend the title as follows:

Page 1, delete line 4

Page 1, line 5, delete "or injured;"

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

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 236, A bill for an act relating to health; establishing a treatment program for compulsive gamblers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 245.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [245.98] [COMPULSIVE GAMBLING TREATMENT PROGRAM.]

Subdivision 1. [DEFINITION.] For the purposes of this section, "compulsive gambler" means a person who is chronically and progressively preoccupied with gambling and with the urge to gamble to the extent that the gambling behavior compromises, disrupts, or damages personal, family, or vocational pursuits.

Subd. 2. [PROGRAM.] The commissioner shall establish a program for the treatment of compulsive gamblers. The commissioner may contract with a nonprofit entity with expertise in the treatment of compulsive gambling to operate the program. The program may include the establishment of a statewide toll-free number, resource library, public education programs; regional in-service training programs and conferences for health care professionals, educators, treatment providers, employee assistance programs, and criminal justice representatives; and the establishment of certification standards for programs and service providers.

The commissioner may enter into agreements with other governmental or nonprofit entities and may employ or contract with consultants to facilitate the provision of these services or the training of individuals to qualify them to provide these services. The program may also include inpatient and outpatient treatment and rehabilitation services and research studies. The research studies must include baseline and prevalence studies for adolescents and adults to identify those at the highest risk. The program must be approved by the commissioner before it is established.

Subd. 3. [REPORT.] The commissioner must report annually to the legislature by January 15 of each year of the manner in which the program to treat and prevent compulsive gamblers is being implemented.

Sec. 2. [APPROPRIATION.]

\$ is appropriated to the commissioner of human services for the biennium beginning July 1, 1989, to operate the program required by section 1. Money not expended in one fiscal year may be used in the next fiscal year."

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

The report was adopted.

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

H. F. No. 287, A bill for an act relating to outdoor recreation; appropriating funds for development of a certain segment of the Willard Munger State Trail.

Reported the same back with the following amendments:

Page 1, line 10, delete "to the" and insert "into"

Page 1, line 11, delete "boundary"

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

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 296, A bill for an act relating to real property; changing effective dates for provisions relating to validation of foreclosure sales; amending Minnesota Statutes 1988, section 582.27.

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

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 412, A bill for an act relating to education; changing the definitions of teachers and of supervisory and support personnel for the purpose of licensure; changing the kinds of personnel licensed by the board of teaching and the state board of education; changing the composition of the board of teaching; providing for teacher performance effectiveness plan; amending Minnesota Statutes 1988, sections 125.03, subdivisions 1 and 4; 125.05, subdivisions 1 and 2; 125.08; and 125.183, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 125.

Reported the same back with the following amendments:

Page 1, line 18, after "school" insert "or education district or by an ECSU"

Page 1, line 20, after "supervisors," insert "secondary"

Page 5, line 22, delete "1988" and insert "1990"

Amend the title as follows:

Page 1, line 8, delete "plan" and insert "plans"

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 438, A bill for an act relating to courts; specifying the income standard for proceeding in forma pauperis; amending Minnesota Statutes 1988, section 563.01, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 563.01, subdivision 3, is amended to read:

Subd. 3. Any court of the state of Minnesota or any political subdivision thereof may authorize the commencement or defense of any civil action, or appeal therein, without prepayment of fees, costs and security for costs by a natural person who makes affidavit stating (a) the nature of the action, defense or appeal, (b) a belief that affiant is entitled to redress, and (c) that affiant is financially unable to pay the fees, costs and security for costs. Upon a finding by the court that the action is not of a frivolous nature, the court shall allow the person to proceed in forma pauperis if the affidavit is substantially in the language required by this subdivision and is not found by the court to be untrue. Persons meeting the requirements of this subdivision include, but are not limited to, a person who is receiving public assistance, who is represented by an attorney on behalf of a civil legal services program or a volunteer attorney program based on indigency, or who has an annual income not greater than 125 percent of the poverty line established under United States Code, title 42, section 9909(2)."

With the recommendation that when so amended the bill pass.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 500, A bill for an act relating to economic development; revising provisions governing regional development commissions; renaming regional development commissions; authorizing the establishment of area development alliances; appropriating money; amending Minnesota Statutes 1988, sections 462.381; 462.382; 462.383; 462.384, subdivisions 1, 2, 5, 6, 7, and by adding subdivisions; 462.385; 462.386; 462.387; 462.388; 462.389; 462.39; 462.393; 462.394; 462.395; 462.396; 462.397; and 462.398; proposing coding for new law in Minnesota Statutes, chapter 462; repealing Minnesota Statutes 1988, sections 462.384, subdivisions 3 and 4; 462.391; and 462.392.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

AREA DEVELOPMENT ALLIANCE ACT

Section 1. Minnesota Statutes 1988, section 462.381, is amended to read:

462.381 [TITLE.]

Sections 462.381 to 462.398 may be cited as the "regional area development alliance act of 1969."

Sec. 2. Minnesota Statutes 1988, section 462.382, is amended to read:

462.382 [APPLICATION.]

The provisions of Sections 462.381 to 462.398 have no application do not apply to the metropolitan council created by or the region defined by Laws 1967, chapter 896.

Sec. 3. Minnesota Statutes 1988, section 462.383, is amended to read:

462.383 [PURPOSE.]

Subdivision 1. The legislature finds that problems of growth and development in urban and rural regions of the state so transcend the boundary lines of local government units that no single unit can plan for their solution without affecting other units in the region; that various multicounty planning activities conducted under various laws of the United States are presently being conducted in an uncoordinated manner; that intergovernmental cooperation on a regional basis is an effective means of pooling the resources of local

government to approach common problems; and that the assistance of the state is needed to make the most effective use of local, state, federal, and private programs in serving the citizens of such urban and rural regions.

~~Subd. 2. It is the purpose~~ The purposes of sections 462.381 to 462.398 are:

- (1) to facilitate intergovernmental cooperation and;
- (2) to insure the orderly and harmonious coordination of state, federal, and local comprehensive planning and development programs for the solution of economic, social, physical, and governmental problems of the state and its citizens by providing for the creation of regional development commissions;
- (3) to provide assistance to local communities and governmental units on an areawide basis; and
- (4) to identify and address rural issues and problems.

Sec. 4. Minnesota Statutes 1988, section 462.384, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] ~~For the purposes of The definitions in this section apply to sections 462.381 to 462.398 the terms defined in this section have the meanings given them.~~

Sec. 5. Minnesota Statutes 1988, section 462.384, subdivision 2, is amended to read:

Subd. 2. [GOVERNMENTAL UNIT.] "Governmental unit" means a county, home rule charter or statutory city, town, school district, or other political subdivision of the state.

Sec. 6. Minnesota Statutes 1988, section 462.384, subdivision 7, is amended to read:

Subd. 7. [COMMISSIONER.] "Commissioner" means the commissioner of state planning agency exercising the authority conferred by under sections 116K.01 to 116K.13.

Sec. 7. Minnesota Statutes 1988, section 462.384, is amended by adding a subdivision to read:

Subd. 8. [ALLIANCE.] "Alliance" means an area development alliance established under section 462.387.

Sec. 8. Minnesota Statutes 1988, section 462.384, is amended by adding a subdivision to read:

Subd. 9. [ALLIANCE AREA.] "Alliance area" or "area" means a geographic area composed of at least three contiguous counties with a population of at least 50,000, established under section 462.387.

Sec. 9. Minnesota Statutes 1988, section 462.384, is amended by adding a subdivision to read:

Subd. 10. [CITY.] "City" means a home rule charter or statutory city.

Sec. 10. Minnesota Statutes 1988, section 462.386, is amended to read:

462.386. [MULTICOUNTY PLANNING AND DEVELOPMENT; CONFORMANCE WITH REGIONS AREAS.]

Subdivision 1. [MULTICOUNTY PLANNING AND DEVELOPMENT.] All coordination, planning, and development regions areas assisted or created by the state of Minnesota or pursuant to federal legislation shall must conform to the regions designated by the executive order areas established under section 462.387 except where, after review and approval by the commissioner, nonconformance is clearly justified. The commissioner shall develop working agreements with state and federal departments and agencies to insure conformance with this subdivision.

Subd. 3. [FEDERAL ECONOMIC DEVELOPMENT DISTRICTS.] The boundaries of an economic development district established under the United States Public Works and Economic Development Act of 1965, as amended through December 31, 1988, United States Code, title 42, section 3171, may be modified with the approval of an affected county and the development district.

Sec. 11. Minnesota Statutes 1988, section 462.387, is amended to read:

462.387. [REGIONAL AREA DEVELOPMENT COMMISSIONS ALLIANCE; ESTABLISHMENT.]

Subdivision 1. [PETITION.] (1) Any combination of counties or municipalities cities representing a majority of the population of the region area, or (2) any combination of contiguous counties, upon approval by a majority of the governing bodies of the cities of each county located within the area for which a commission an area development alliance is proposed; may petition the commissioner by formal resolution setting forth its desire to establish, and the need for, the establishment of a regional an area development commission alliance. For purposes of this section the petition requirement, the population of a county does not include the population of a municipality city within the county. The petition must include the

geographic boundaries of the proposed area. The area must include a population of at least 50,000 and at least three contiguous counties. The area may include towns that are contiguous to the counties that are located in the proposed area. The area may also include cities that are located in more than one county and are contiguous to the proposed area. All counties, contiguous towns, and contiguous cities that were part of an alliance that has been terminated and are not part of an existing alliance must be allowed to petition to form the proposed alliance.

Subd. 3. [ESTABLISHMENT.] Upon Within 35 days of the receipt of a petition as provided in subdivision 1 a regional development commission shall be established by the commissioner and the notification of, the commissioner shall notify all local government governmental units within the region area for which the commission alliance is proposed. The notification shall be made within 60 days of the commissioner's receipt of a petition under subdivision 1. and fix a time and place within the proposed area for a public hearing. Notice and time requirements specified in section 462.398, subdivision 2, apply to the public hearing. After determining that the boundaries of the proposed alliance area do not overlap with another area development alliance, and within 60 days of the date of the public hearing, the commissioner shall establish the area development alliance by commissioner's order.

Subd. 4. [SELECTION OF MEMBERSHIP.] The commissioner shall call together each of the membership classifications except citizen groups the public members, defined in section 462.388, within 60 days of the establishment of a regional an area development commission alliance for the purpose of selecting the commission alliance membership.

Sec. 12. [462.3871] [ANNEXATION PROCEDURE.]

Subdivision 1. [COUNTIES IN EXISTING ALLIANCE.] One or more counties comprising a part of an existing area development alliance may petition the commissioner by county board resolution to withdraw the county or counties from the alliance for the purpose of annexing the county or counties to a contiguous proposed or established area development alliance. The commissioner may order the annexation only if the following conditions are met:

(1) the population of the area development alliance from which the county or counties request withdrawal from is at least 50,000 after the county or counties withdraw;

(2) at least three contiguous counties remain in the alliance after the withdrawal;

(3) none of the petitioning counties have established an alliance or

have been authorized to annex with the alliance that they are currently a part of in the past five years;

(4) the alliance with which the county or counties are requesting annexation must approve of the annexation; and

(5) the commissioner approves of the annexation, after making the determination that the population and economic patterns of the county or counties are consistent with the proposed annexation.

Subd. 2. [COUNTIES OR TOWNS NOT PART OF AN ALLIANCE.] Upon approval by a majority of the governing bodies of the cities of a county, a county that is not part of an existing area development alliance may petition the commissioner by county board resolution for the purpose of annexing the county to a contiguous area development alliance. The commissioner may order the annexation only if the following conditions are met:

(1) the alliance with which the county is requesting annexation must approve of the annexation; and

(2) the commissioner approves of the annexation, after making the determination that the population and economic patterns of the county are consistent with the proposed annexation.

A town that is not part of an existing area development alliance may petition the commissioner by town board resolution for the purpose of annexing the town to a contiguous area development alliance. The commissioner may order the annexation if the town meets the conditions specified in clauses (1) and (2).

Subd. 3. [ANNEXATION BY COMMISSIONER'S INITIATIVE.] Within two years after a federal decennial census, the state demographer must review the boundaries of the areas and submit a report to the commissioner regarding the present boundaries and their relationships to the population and economic patterns of each area. If the report recommends boundary modification recommendations, the commissioner may order an annexation under subdivision 1 without meeting the petition requirements after determining that the other conditions specified in subdivision 1 have been met.

Subd. 4. [CITIES ANNEXATION.] A city that is located in more than one county may petition the commissioner by city council resolution for the purpose of annexing the entire city to a contiguous area development alliance. The commissioner may order the annexation if the city meets the conditions specified in subdivision 2, clauses (1) and (2).

Subd. 5. [PUBLIC HEARING REQUIREMENTS.] The commissioner must hold a public hearing in the proposed annexation area

before ordering an annexation under this section. Notice and time requirements specified in section 462.398, subdivision 2, apply to the public hearing.

Sec. 13. Minnesota Statutes 1988, section 462.388, is amended to read:

462.388 [COMMISSION ALLIANCE MEMBERSHIP.]

Subdivision 1. [COMPOSITION.] A commission shall consist. An alliance consists of the following members:

(1) one member from each county board of every county in the development region area, selected by each respective county board;

(2) one additional county board member from each county of over 100,000 with a population greater than 100,000, selected by each respective county board of these counties;

(3) the town clerk, town treasurer, or one member of a town board of supervisors from each county containing organized towns, selected by the town officers association in each respective county, or the town boards of supervisors in each county if a town officers association does not exist in the county;

(4) one additional member selected by the county board of any county containing no townships;

(5) one mayor or council member from a municipality of under 10,000 city with a population less than 10,000, from each county, selected by the mayors of all such municipalities the cities in the county;

(6) one mayor or council member from each municipality of over city with a population greater than 10,000 in from each county, selected by the mayor of each of these respective cities;

(7) two school board members elected by a majority of the chairs of school boards in the development region area;

(8) one member from each council of governments, selected by each council; and

(9) citizens representing public interests within the region including members of minority groups to be selected after adoption of the bylaws of the commission; and

(10) the chair, who shall be selected by the commission. at least ten percent of the alliance membership must consist of public members who are not members of the governing body of a county,

city, or town, and who are selected by the other alliance members after adoption of the bylaws. A public member who is a member of the governing body of a county, city, or town, and who is recommended by a group representing a specific issue or set of issues or a specific population, may be included in the ten percent minimum limit.

The public membership of the alliance may consist of members of minority groups, post-secondary educational institutions, senior citizen groups, human service organizations, natural resource organizations, nonprofit economic development entities, local chambers of commerce, and the general public interested in community and economic development.

Subd. 2. [TERMS; SELECTION.] The terms of office and method of selection of members other than, including the chair shall and other officers, must be provided for in the bylaws of the commission which shall not be inconsistent alliance. The alliance must select a chair from its own membership. An alliance member may not serve more than ten consecutive years. The bylaws must be consistent with the provisions of subdivision 1. The commission alliance shall adopt rules setting forth bylaws providing for its procedures.

Subd. 5. [PER DIEM; EXPENSES.] Members of the regional commission alliance may receive a per diem of not over \$35, the amount to be determined by the commission in the amount specified under section 15.0575, subdivision 3, and shall must be reimbursed for their reasonable expenses as determined by the commission alliance. The commission shall alliance may provide for the election of a board of directors, who need not be commission alliance members, and provide, at its discretion, for a per diem of not over \$35 a day in the amount specified under section 15.0575, subdivision 3, for meetings of the board and expenses. A member of the board of directors who is a member of the commission shall may receive only the per diem payable to board members when meetings of the board of directors and the commission alliance are held on the same day.

Sec. 14. Minnesota Statutes 1988, section 462.389, is amended to read:

462.389 [DEVELOPMENT COMMISSION ALLIANCE CHAIR; OFFICERS AND STAFF.]

Subdivision 1. [CHAIR.] The chair of the commission alliance shall have been a resident of the region area for at least one year and shall be a person experienced in the field of government affairs. The chair shall preside at the meetings of the commission alliance and board of directors, appoint all employees thereof, subject to the approval of the commission as provided in the personnel system adopted under subdivision 4, and be responsible for carrying out all policy decisions of the commission alliance. The chair's expense

allowances ~~shall~~ must be fixed by the ~~commission~~ alliance. The term of the first chair ~~shall be~~ is one year, and the chair shall serve until a successor is selected and qualifies. At the expiration of the term of the first chair, the chair ~~shall~~ must be elected from the membership of the ~~commission~~ alliance according to procedures established in its bylaws.

Subd. 2. [OFFICERS.] Except as provided in subdivision 1, the ~~commission~~ shall alliance may elect ~~such~~ officers as it deems considers necessary for the conduct of its affairs. Times and places of regular and special meetings ~~shall~~ must be fixed by the ~~commission~~ alliance and may be provided in the ~~commission~~ alliance bylaws. In the performance of its duties the ~~commission~~ alliance may adopt bylaws, ~~rules governing its operation;~~ establish committees, divisions, departments, and bureaus, and; staff the ~~same~~ committees, divisions, departments, and bureaus as necessary to carry out its duties; and when specifically authorized by law, make appointments to other governmental agencies and districts. All officers and employees ~~shall~~ serve at the pleasure of the ~~commission~~ alliance and in accordance with this section.

Subd. 3. [EXECUTIVE DIRECTOR.] Upon the recommendation of the chair, the ~~commission~~ alliance may appoint an executive director to serve as the chief administrative officer. The ~~director~~ may be chosen from among the citizens of the nation at large, and shall be selected on the basis of training and experience in the field of government affairs.

Subd. 4. [EMPLOYEES.] The ~~commission~~ alliance may prepare, in consultation with the state commissioner of employee relations, and may adopt a merit personnel system for its officers and employees, including hiring procedures and policies, terms and conditions for the of employment, the fixing of compensation, their classification, benefits, and the filing of performance and fidelity bonds, and ~~such~~ policies of insurance policies as it ~~may deem~~ considers advisable, the with premiums for which, however, shall to be paid for by the ~~commission~~ alliance. Officers and employees are public employees within the meaning of chapter 353. The ~~commission~~ alliance shall make the employer's contributions to pension funds of its employees.

Subd. 5. [STAFF SERVICES.] To avoid duplication of staffs for various regional bodies assisted by federal government, the ~~commission~~ alliance may provide basic administrative, research, and planning services for all regional planning and development bodies hereafter established in Minnesota. The ~~commission~~ alliance may contract to obtain or perform services with state agencies, nonprofit regional groups, subdistricts organized as the result of federal programs, councils of governments organized under section 471.59, or any other law, and with ~~local~~ governments governmental units.

Subd. 6. [CONSULTANTS.] The ~~commission~~ alliance may contract

for the services of consultants who perform engineering, legal, or other services of a professional nature for peak workloads, continuing advice on program direction, and for specialized and technical services. ~~Such~~ The contracts ~~shall~~ are not be subject to the requirements of any law relating to public bidding.

Sec. 15. Minnesota Statutes 1988, section 462.39, is amended to read:

462.39 [POWERS AND DUTIES.]

Subdivision 1. [GENERAL POWERS.] The ~~commission~~ alliance shall have and exercise all powers which may be necessary or convenient to enable it to perform and carry out the duties and responsibilities of sections 462.381 to 462.398 or which may hereafter be imposed upon it by law. ~~Such~~ The powers include the specific powers enumerated in this section. The ~~commission~~ alliance is an instrumentality a political subdivision of the state for purposes of section 297A.25, subdivision 11.

Subd. 2. [STATE AND FEDERAL PROGRAMS.] The ~~commission~~ alliance is the authorized agency to receive state and federal grants for regional purposes from the following programs:

(1) Section 403 of the Public Works and Economic Development Act of 1965, as amended through December 31, 1988, United States Code, title 42, section 3171 (economic development districts); and

(2) Section 701 of the Housing Act of 1954, as amended (multi-county comprehensive planning);

(3) Omnibus Crime Control Act of 1968;

and for the following to the extent feasible as determined by the governor:

(a) Economic Opportunity Act of 1964;

(b) Comprehensive Health Planning Act of 1965;

(c) Federal regional manpower planning programs;

(d) Resource, conservation, and development districts; or

(e) any other state and federal programs providing funds for local, multicounty, or regional, planning, coordination, service delivery, and development purposes. The director shall, where consistent with state and federal statutes and regulations, review applications for all state and federal regional planning and development grants to a commission, to the extent determined feasible by the governor.

Subd. 3. [PLANNING.] The ~~commission shall~~ alliance may prepare and adopt, after appropriate study and ~~such~~ public hearings as may be necessary, a ~~comprehensive development plan~~ plans for the ~~region area or portions of the area~~. The ~~plan shall~~ plans may consist of a ~~compilation of~~ policy statements, goals, standards, programs, and maps prescribing guides for an orderly and economic development, public and private, of the ~~region area~~. The ~~comprehensive development plan shall recognize and encompass~~ physical, social, or economic needs of the region, and those future developments which will have an impact on the entire region including but not limited to such matters as land use, parks and open space land needs, access to direct sunlight for solar energy systems, the necessity for and location of airports, highways, transit facilities, public hospitals, libraries, schools, public and private, housing, and other public buildings. In preparing the development plan the commission shall use to the maximum extent feasible the resources studies and data available from other planning agencies within the region, including counties, municipalities, special districts, and subregional planning agencies, and it shall utilize the resources of the director to the same purpose. The plans may also include an outline of trends, issues, and problems occurring in rural areas of the state. No A development plan or portion thereof or a plan for the ~~region shall~~ area may not be adopted by the ~~commission~~ alliance until it has been submitted to the ~~director~~ commissioner for review and comment and a period of 60 days has elapsed after ~~such~~ the submission. When a development plan has been adopted, the ~~commission~~ alliance shall distribute it to all local government governmental units within the region area.

Subd. 4. [COMPREHENSIVE PLANNING.] The creation establishment of a regional development commission an area development alliance does not affect the right of counties or municipalities cities to conduct subregional or district planning under sections 462.371 to 462.375 or 471.59. It is the purpose of sections 462.381 to 462.398 to encourage local and subdistrict planning capability and the regional commission alliance shall as far as practical use the data, resources, and input of the local planning agencies.

Subd. 5. [PLANNING REVIEW.] The alliance may review all long-term comprehensive plans of each governmental unit, independent commission, board, or agency, but only if the plan is determined by the alliance to have an areawide effect, a multicommunity effect, or to have a substantial effect on development of the area. Each plan determined to have areawide significance by the alliance must be submitted to the alliance for review and comment before any action is taken to place the plan or any part of the plan into effect. No action shall be taken to place any plan or any part of a plan into effect until 60 days have elapsed after the date of its submission to the alliance or until the alliance reviews and comments on the plan. The alliance shall develop, in consultation with the commissioner, formal procedures for the review of plans required to be submitted to it under this subdivision. The procedures

must be included in a formal resolution adopted after public hearing. After adoption, the resolution must be transmitted to each governmental unit and independent agency, board, or commission within the area.

Subd. 6. [RESEARCH.] The alliance may research and study issues and concerns relating to water, land use, economic development, minority problems, governmental problems, human and natural resources, waste reduction and management, communication, transportation, and other subjects of concern to the general public of the area. The alliance may institute demonstration projects in connection with a study.

Subd. 7. [PROGRAM COORDINATION.] The alliance may coordinate civil defense, community shelter planning, flood plain management programs, and other programs of areawide significance within the area and contract with local governmental agencies and consultants for the purpose of program coordination.

Subd. 8. [LOCAL GOVERNMENT BOUNDARIES.] The alliance may participate as a party in any proceedings originating before the Minnesota municipal board under chapter 414, if the proceedings involve the change in a boundary of a governmental unit in the area.

Subd. 9. [DATA AND INFORMATION.] The alliance, in consultation with appropriate departments and agencies of the state, may develop, in cooperation with the public and private colleges and universities and governmental units, a center for data collection and storage to be used by it and other governmental and private users. The alliance may enter into agreements with any state or federal agency to provide information to the governmental units, and others, regarding federal and state programs and data sources.

Subd. 10. [SERVICES AND TECHNICAL ASSISTANCE.] The alliance may contract with governmental units and private organizations to provide them with services and technical assistance in the conduct of local planning and development activities. The alliance may also provide technical assistance to governmental units on a noncontractual basis.

Subd. 11. [REVOLVING LOAN FUND.] In order to promote and encourage local economic development, the alliance may establish a revolving loan fund to provide loans to businesses. If the alliance establishes a revolving loan fund, the alliance shall establish uniform application forms and procedures, minimum interest rates, security requirements, restrictions on the amount of the alliance's participation in a project, and other financial terms and conditions that the alliance determines are necessary in providing financial assistance. The alliance may sell, at private or public sale, loans

made under this subdivision to a business, for profit or nonprofit organization, or an individual.

Sec. 16. Minnesota Statutes 1988, section 462.393, is amended to read:

462.393 [REPORTS.]

Subdivision 1. [ANNUAL REPORT.] On or before August 1 of each year, the ~~commission~~ alliance shall prepare a report for the governmental units, the public within the region area, the legislature and the governor. The report ~~shall~~ must include:

(1) A statement of the ~~commission's~~ alliance's receipts and expenditures by category since the preceding report;

(2) A detailed budget for the year in which the report is filed and a tentative budget for the following year including an outline of its program for ~~such~~ the period;

(3) A description of any comprehensive plan development plans adopted in whole or in part for the region area;

(4) Summaries and recommendations of any studies and the recommendations resulting therefrom ~~made~~ conducted for the region area;

(5) A listing of all applications for federal grants or loans made by governmental units within the region together with the action taken by the commission in relation thereto;

(6) A listing of plans of local governmental units submitted to the region, and actions taken in relationship thereto;

(7) Recommendations of the ~~commission~~ alliance regarding federal and state programs, cooperation, funding, and legislative needs; and

(8) (6) A summary of any report made during the previous year by the state auditor relative to the ~~commission~~ alliance.

Subd. 2. [PERFORMANCE REPORT.] In ~~1981~~ 1991 and every five years thereafter the ~~commission~~ alliance shall review its activities and issue a report assessing its to the commissioner, the governmental units within the area, and the general public within the area. The report must include:

(1) an assessment of the alliance's performance in fulfilling the purposes of the regional area development alliance act of 1969. The report shall state whether the existence of the ~~commission~~ is in the

public welfare and interest. The report shall be included in the report required by subdivision 1;

(2) an assessment of the state of the alliance area, outlining trends and problems occurring within the alliance area; and

(3) recommendations addressing the trends and problems outlined.

Sec. 17. Minnesota Statutes 1988, section 462.394, is amended to read:

462.394 [CITIZEN PARTICIPATION AND ADVISORY COMMITTEES.]

The ~~commission~~ alliance may appoint advisory committees of interested and affected citizens members of the general public to assist in the review of plans, programs, and other matters referred for review by the ~~commission~~ alliance. Whenever a special advisory committee is required by ~~any~~ a federal or state regional program, the ~~commission~~ alliance chair shall, as far as practical, appoint such advisory committees as advisory groups to the ~~commission~~ alliance. Members of the advisory committees shall serve without compensation but shall be reimbursed for their reasonable expenses as determined by the ~~commission~~ alliance.

Sec. 18. Minnesota Statutes 1988, section 462.395, is amended to read:

462.395 [DUTIES OF STATE AGENCIES.]

All state departments and agencies shall cooperate with regional area development commissions alliances established under sections 462.381 to 462.398 and shall make available to them studies, reports, data, and other informational and technical assistance within financial and personnel limitations. The ~~director~~ commissioner shall coordinate the state's assistance programs to regional planning and area development commissions alliances.

Sec. 19. Minnesota Statutes 1988, section 462.396, is amended to read:

462.396 [FINANCIAL; STATE ASSISTANCE.]

Subdivision 1. [GRANTS.] The ~~director~~ commissioner shall determine the amount of and make grants to any commission alliance created under sections 462.381 to 462.398 from appropriations made available for those purposes, provided a work program is submitted acceptable to the ~~director~~ commissioner. Any regional commission

An alliance may levy a tax on all taxable property in the region area to provide money for the purposes of sections 462.381 to 462.398.

Subd. 2. [BUDGET; TAX LEVY.] On or before August 20, 1971, and June 30 of each year thereafter, the ~~commission~~ alliance shall submit its proposed budget for the ~~ensuing calendar~~ next alliance fiscal year showing anticipated receipts, disbursements and ad valorem tax levy with a written notice of the time and place of the public hearing on the proposed budget to each county auditor and ~~municipal city~~ clerk within the region area and those town clerks who in advance have requested a copy of the budget and notice of public hearing. On or before October 1, 1971, and of each year thereafter, the ~~commission~~ alliance shall adopt, after a public hearing held ~~not~~ no later than September 20, a budget covering its anticipated receipts and disbursements for the ~~ensuing next~~ year and shall decide upon the total amount necessary to be raised from ad valorem tax levies to meet its budget. After adoption of the budget and no later than October 1, the secretary of the ~~commission~~ alliance shall certify to the auditor of each county within the region area the county share of ~~such the~~ tax, which shall be in an amount bearing the same proportion to the total levy agreed on by the ~~commission~~ alliance as the gross tax capacity of the county bears to the gross tax capacity of the region area. The maximum amount of any levy made for the purposes of sections 462.381 to 462.398 shall not exceed one-sixth of one mill on each dollar of gross tax capacity of all taxable property in the region area. The auditor of each county in the region area shall add the amount of any levy made by the ~~commission~~ alliance within the limits imposed by this subdivision to other tax levies of the county for collection by the county treasurer with other taxes. When collected, the county treasurer shall make settlement of ~~such the~~ taxes with the ~~commission~~ alliance in the same manner as other taxes are distributed to political subdivisions. The levy authorized by this section ~~shall be~~ is in addition to any other county taxes authorized by law.

Subd. 3. [GIFTS; GRANTS; LOANS.] The ~~commission~~ alliance may accept gifts, apply for and use grants or loans of money or other property from the United States, the state, private organizations, or any person, local or governmental body for any ~~commission~~ alliance purpose and may enter into agreements required in connection therewith and may hold, use, and dispose of ~~such moneys money~~ or property in accordance with the terms of the gift, grant, loan, agreement, or contract ~~relating~~ thereto.

Subd. 4. [ACCOUNTS; AUDITS.] The ~~commission~~ alliance shall keep an accurate account of its receipts and disbursement. Disbursements of funds of the ~~commission~~ alliance must be made by check signed by the chair or, vice-chair, or secretary of the ~~commission~~ alliance and countersigned by the executive director or an authorized deputy thereof after ~~such the~~ auditing and approval of the expenditure as may be provided by rules of the ~~commission~~

alliance. The state auditor shall audit the books and accounts of the commission alliance once each year, or as often as funds and personnel of the state auditor permit. The commission alliance shall pay to the state the total cost and expenses of such the examination, including the salaries paid to the auditors while actually engaged in making such the examination. The revolving fund of the state auditor shall must be credited with all collections made for any such examination.

Subd. 5. [UNIFORM MUNICIPAL CONTRACT LAW.] Section 471.345 applies to every contract of the commission alliance for the purchase of merchandise, materials, or supplies shall be let in accordance with the provisions of section 471.345.

Subd. 6. [OFFICIAL DEPOSITORY.] The commission alliance shall from time to time designate one or more national or state banks, or trust companies authorized to do a banking business, as official depositories for money of the commission alliance, and thereupon shall require the treasurer to deposit all or part of such the money in such the bank or banks. Such The designation shall must be in writing and set forth, must include all the terms and conditions upon which the deposits are made, and shall must be signed by the chair and secretary, and must be made a part of the minutes of the commission alliance. Any A designated bank or trust company so designated shall qualify qualifies as a depository by furnishing a corporate surety bond or collateral as required by chapter 118, and shall thereafter must, as long as money of the commission alliance is on deposit therein, maintain such the bond or collateral and shall be required to secure any deposit, insofar as it is insured under federal law, as provided in section 118.10.

Subd. 7. [RESERVE FUND.] The alliance may establish an undedicated reserve fund. The amount of an undedicated reserve fund may not exceed two times the amount of taxes levied during the past fiscal year.

Subd. 8. [STATE EQUALIZATION REVENUE.] In order to receive state equalization revenue, an alliance must levy a tax of at least one-sixth of one mill times the gross tax capacity of taxable property in the area. If an alliance levies one-sixth of one mill times the gross tax capacity of taxable property in the area, the amount of state equalization revenue is equal to the sum of \$100,000 minus the amount of the tax levied by the alliance and .50 times the area population of up to 100,000 and .30 times the amount of the area population over 100,000 or \$40,000, whichever is greater. The population must be determined by using the most recent population estimate of the state demographer, as provided under section 116K.04, subdivision 4. Equalization revenue may be used for any purpose authorized under sections 1 to 21.

Sec. 20. Minnesota Statutes 1988, section 462.397, is amended to read:

462.397 [BORROWING MONEY; CERTIFICATES OF INDEBTEDNESS.]

Subdivision 1. [AUTHORIZATION.] At any time after a tax has been levied by the ~~commission~~ alliance and certified to the county auditors to be spread on the next tax roll for collection, the ~~commission~~ alliance may borrow money and in evidence thereof issue and sell its certificates of indebtedness in anticipation of the collection of ~~such~~ the levy.

Subd. 2. [AMOUNT.] The aggregate principal amount of ~~such~~ the certificates then remaining outstanding, issued in anticipation of any levies whatsoever, plus the then unpaid accrued interest and interest to accrue to maturity on all ~~such~~ the certificates, ~~shall~~ may not exceed 50 percent of all taxes certified to the county auditors to be spread and collected which are not delinquent, less the amount thereof received by the ~~commission~~ alliance before the latest certificates were issued.

Subd. 3. [MATURITY.] All certificates ~~shall~~ must mature not later than April 1 following the close of the year of collection of the taxes in anticipation of which they were issued, and may be made subject to redemption before maturity.

Subd. 4. [TERMS.] The ~~commission~~ alliance shall, by the resolution authorizing each issue of certificates, ~~fix~~ the amount, date, maturity or maturities, prepayment provisions, form, denominations, interest rate or rates, and other details of the certificates, and also pledge the full faith and credit of the ~~commission~~ alliance for the payment ~~thereof~~ of the certificates. In and by ~~such~~ the resolution, the ~~commission~~ alliance shall also irrevocably appropriate to a special fund ~~such~~ the amount, stated in dollars, of the levy anticipated as will be required to pay the principal of and interest on the certificates when due.

Subd. 5. [ADDITIONAL LEVY.] If, due to delinquencies in collection ~~thereof~~, the levy is not received at the times and in the amounts sufficient to meet principal of and interest on certificates ~~payable therefrom~~, the ~~commission~~ alliance may levy and cause to be extended, assessed and collected upon all taxable property within the ~~region~~ area, ~~such~~ the ad valorem taxes as may be required to pay ~~such~~ the principal and interest and to restore to other funds advances made for that purpose.

Subd. 6. [SALE.] All ~~such~~ The certificates may be negotiated and sold in ~~such~~ the manner as ~~may~~ be determined by the ~~commission~~ alliance.

Sec. 21. Minnesota Statutes 1988, section 462.398, is amended to read:

462.398 [TERMINATION OF COMMISSION ALLIANCE.]

Subdivision 1. [PETITION.] (1) Any combination of counties or ~~municipalities~~ cities representing a majority of the population of the region alliance area, or (2) a majority of counties within the alliance, upon approval by a majority of the governing bodies of the cities of each county located within the area for which a ~~commission~~ an alliance exists; may petition the ~~director~~ commissioner by formal resolution stating that the ~~existence of the commission~~ existing alliance is no longer in the public welfare and interest and ~~is not needed to~~ does not accomplish the purposes of the regional area development alliance act of 1969. For purposes of this section the petition requirement, the population of a county does not include the population of a ~~municipality~~ city within the county. Any formal resolution adopted by the governing body of a county or ~~municipality, city, or town~~ for the termination of a ~~commission~~ shall be an alliance is effective for a period of one year for the purpose of determining the requisite population of the region area or number of counties, cities, and towns needed to petition the ~~director~~ commissioner.

Subd. 2. [HEARING; NOTICE.] Within 35 days of the receipt of the petition, the ~~director~~ commissioner shall fix a time and place within the region area for a hearing. The ~~director~~ commissioner shall give notice of the hearing by publication once each week for two successive weeks before the date of the hearing in a legal newspaper in each of the counties which the commission alliance represents. The hearing ~~shall must~~ be conducted by members of the commission alliance. If the ~~commission~~ alliance determines that the ~~existence of the commission~~ existing alliance is no longer in the public welfare and interest and that ~~it is not needed to~~ does not accomplish the purposes of the regional area development alliance act of 1969, the ~~commission~~ alliance shall recommend to the ~~director~~ commissioner that the ~~director~~ commissioner terminate the ~~commission~~ alliance. Within 60 days after receipt of the recommendation, the ~~director~~ commissioner shall terminate the commission alliance by giving notice of the termination to all government governmental units within the region area for which the commission alliance was established. Unless otherwise provided by this subdivision, the hearing ~~shall must~~ be in accordance with sections 14.01 to 14.69.

Subd. 3. [LIMITATION.] The ~~director~~ commissioner shall not accept a petition for termination more than once in 30 months for each regional development commission alliance.

Sec. 22. [REGIONAL DEVELOPMENT COMMISSION REFERENCE.]

A regional development commission existing on January 1, 1989, may continue to be referred to as a regional development commission notwithstanding section 24. If the boundaries of a regional development commission are modified, the commission must be referred to as an area development alliance.

Sec. 23. [SUCCESSOR STATUS.]

Each area development alliance is the legal successor in all respects of each respective regional development commission established under Laws 1969, chapter 1122, and all resolutions, contracts, and liabilities of each regional development commission are the resolutions, contracts, and liabilities of each respective area development alliance as renamed and reconstituted under Minnesota Statutes, sections 462.381 to 462.398. Each region for which a regional development commission exists on January 1, 1989, is an area as defined in section 8.

Sec. 24. [INSTRUCTION TO REVISOR.]

The revisor of statutes is directed to change the phrase "regional development commission" wherever it appears in Minnesota Statutes to "area development alliance" in the next and subsequent editions of the statutes.

Sec. 25. [INSTRUCTION TO REVISOR.]

The revisor of statutes is directed to change the phrase "development region" wherever it appears in Minnesota Statutes to "alliance area" in the next and subsequent editions of the statutes.

Sec. 26. [INSTRUCTION TO REVISOR.]

The revisor of statutes is directed to change the phrase "regional development act" wherever it appears in Minnesota Statutes to "area development alliance act" in the next and subsequent editions of the statutes.

Sec. 27. [APPROPRIATION; EQUALIZATION REVENUE.]

\$ is appropriated from the general fund to the commissioner of state planning for equalization revenue as provided under section 19.

Sec. 28. [APPROPRIATION; LEGISLATIVE AUDITOR.]

\$ is appropriated from the general fund to the legislative auditor to conduct a separate program evaluation of each regional development commission existing on January 1, 1989.

Sec. 29. [REPEALER.]

Minnesota Statutes 1988, sections 462.371; 462.372; 462.373; 462.374; 462.375; 462.384, subdivisions 3, 4, 5, and 6; 462.385; 462.391; and 462.392, are repealed.

Sec. 30. [EFFECTIVE DATE.]

Sections 1 to 29 are effective July 1, 1989. For purposes of determining the limit on consecutive years of office for alliance members under Minnesota Statutes, section 462.388, subdivision 2, each current member's term of office will be calculated as beginning on July 1, 1989.

ARTICLE 2

CONFORMING AMENDMENTS

Section 1. Minnesota Statutes 1988, section 110B.08, subdivision 2, is amended to read:

Subd. 2. [COMMENTS TO COUNTY BOARD.] (a) A local unit of government must review the comprehensive water plan and existing water and related land resources plans or official controls and in its comments describe in a general way possible amendments to its existing plans or official controls, and an estimate of the fiscal or policy effects that would be associated with those amendments, to bring them into conformance with the comprehensive water plan.

(b) A county or watershed management organization within the same watershed unit or groundwater system must review comprehensive water plans received and describe in its comments possible conflicts with its existing or proposed comprehensive water plan and suggest measures to resolve the conflicts.

(c) The ~~regional~~ area development ~~commission~~ alliance shall review the plan under section 462.391, subdivision 1.

Sec. 2. Minnesota Statutes 1988, section 115A.03, subdivision 8, is amended to read:

Subd. 8. "~~Development region Alliance~~ area" means a region ~~designated pursuant to sections 462.381 to 462.397~~ an area established under section 462.387.

Sec. 3. Minnesota Statutes 1988, section 115A.03, subdivision 26, is amended to read:

Subd. 26. "~~Regional Area development commission alliance~~" means a ~~commission~~ an alliance established ~~pursuant to sections 462.381 to 462.397~~ under section 462.387.

Sec. 4. Minnesota Statutes 1988, section 115A.09, subdivision 3, is amended to read:

Subd. 3. [PROCEDURES.] The board shall propose the inventory of areas by August 1, 1981 by publication in the state register and newspapers of general circulation in the state and by mail to each regional area development ~~commission~~ alliance or metropolitan council, and local government unit containing a proposed area. The publications and mailing shall include notice of hearings on the board's proposal. The hearings shall be conducted by the state office of administrative hearings in a manner determined by the administrative law judge to be consistent with the completion of the proceedings and the administrative law judge's report in the time allowed by this section. At the hearing, any local government unit in which an area is proposed for inclusion in the inventory may propose an alternative area or areas within its jurisdiction. The hearing shall afford all interested persons an opportunity to testify and present evidence on the subject of the hearing. The subject of the hearing shall be limited to information submitted by the board and additional information on the proposed area or alternative areas which is relevant to the board's decision on the areas to be included in the inventory. The rulemaking and contested case procedures of chapter 14 shall not apply to this hearing. The administrative law judge may consolidate hearings. The report of the administrative law judge shall contain findings of fact, conclusions, and recommendations on the subject of the hearing. When any area in the inventory becomes unavailable as a hazardous waste facility site, the inventory shall be amended, in the manner of its original adoption, provided, however, that during the period when the inventory is being amended any other area in the inventory may be reviewed and approved under sections 115A.32 to 115A.39. No action of the board shall be held invalid by reason of the board's failure to notify any of the entities listed in this subdivision.

Sec. 5. Minnesota Statutes 1988, section 115A.21, subdivision 2, is amended to read:

Subd. 2. [SEARCH PROCEDURE.] The board shall consult with the agency and the private waste management industry in selecting candidate sites. Any sites proposed in applications for permits for stabilization and containment facilities being reviewed by the agency may be included by the board as candidate sites, provided the agency certifies the intrinsic suitability of the sites. The agency shall suspend its review of any permit application being reviewed by the board for inclusion as a candidate site until the site is eliminated from consideration as a candidate site.

As soon as practicable, the board through its chair shall publish a request soliciting proposals and permit applications for hazardous waste stabilization and containment facilities from potential developers and operators of such facilities. Notice of the request shall be

published in the State Register and newspapers of general circulation in the state and shall be transmitted to all regional area development commissions alliances, the metropolitan council, and all counties in the state. The board may select conceptual design and operating specifications for a variety of hazardous waste stabilization and containment facilities in sufficient detail and extent in the judgment of the board to assist the evaluation of sites and the selection of candidate sites. By November 1, 1980, the board through its chair shall notify each regional area development commission alliance, or the metropolitan council, and each local government unit within whose jurisdiction the board intends to search for candidate sites. The notification shall explain the selection of the jurisdiction as a search area; shall summarize any conceptual specifications and the evaluation factors, criteria, standards, and procedures the board intends to use in selecting candidate sites; and shall describe the relationship of the candidate site selection process to the other review procedures under sections 115A.18 to 115A.30 and the hazardous waste reports and plans required under sections 115A.04 to 115A.15. The notification shall request recommendations and suggestions from each such commission alliance, the metropolitan council, and local government unit on the criteria, standards, and procedures the board should use in selecting candidate sites within the time allowed. The board through its chair shall make a written response to any recommendations, explaining its disposition of the recommendations. No action of the board may be held invalid by reason of the board's failure to notify any of the entities listed in this subdivision.

Sec. 6. Minnesota Statutes 1988, section 115A.45, is amended to read:

115A.45 [TECHNICAL ASSISTANCE.]

The board and metropolitan council shall provide for technical assistance to encourage and improve solid waste management and to assist political subdivisions in preparing the plans described in section 115A.46. The board and metropolitan council shall provide model plans for regional and local solid waste management. The board and metropolitan council may contract for the delivery of technical assistance by a regional an area development commission alliance, any state or federal agency, private consultants, or other persons. The board shall prepare and publish an inventory of sources of technical assistance for solid waste planning, including studies, publications, agencies, and persons available.

Sec. 7. Minnesota Statutes 1988, section 115A.52, is amended to read:

115A.52 [TECHNICAL ASSISTANCE FOR PROJECTS.]

The board shall ensure the delivery of technical assistance for

projects eligible under the program. The board may contract for the delivery of technical assistance by any state or federal agency, a regional an area development ~~commission~~ alliance, the metropolitan council, or private consultants and may use program funds to reimburse the agency, ~~commission~~ alliance, council, or consultants. The board shall prepare and publish an inventory of sources of technical assistance, including studies, publications, agencies, and persons available. The board shall ensure statewide benefit from projects assisted under the program by developing exchange and training programs for local officials and employees and by using the experience gained in projects to provide technical assistance and education for other solid waste management projects in the state.

Sec. 8. Minnesota Statutes 1988, section 115A.64, subdivision 3, is amended to read:

Subd. 3. [LOCAL REVIEW AND COMMENT.] At least 60 days before submitting the petition to the board, the petitioners shall publish notice of the petition in newspapers of general circulation in the proposed district and shall cause a copy of the petition to be served upon the agency, the governing body of each political subdivision which is wholly or partly within the proposed district or is affected by the proposed alteration and each regional area development ~~commission~~ alliance affected by the proposed district or alteration. Each entity receiving service shall have 60 days within which to comment to the petitioners on the petition and the proposed district or alteration. Proof of service, along with any comments received, shall be attached to the petition when it is submitted to the board.

Sec. 9. Minnesota Statutes 1988, section 116E.02, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP; TERMS.] A state environmental education board, designated as the environmental education board, is hereby created. Regional environmental education councils, subordinate to the environmental education board and designated as regional environmental education councils are hereby created to represent the regions of the state designated by the in governor pursuant to Minnesota Statutes 1971, section 462.385 executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973. The state board shall consist of three members appointed by the commissioner of natural resources and three members appointed by the commissioner of education, and one member from each of the regional councils. Each regional council shall elect one member to serve on the state board. Regional councils shall consist of 12 members, appointed by the chair of the state board with approval of the state board, with at least one person representing each of the following groups: (a) public school systems having grade levels kindergarten through 12, inclusive; (b) post-secondary educational institutions; (c) regional ~~economie~~ area development ~~commissions~~

alliances, where established; (d) voluntary organizations; (e) business, industry and agriculture; (f) labor organizations; and (g) elected local government officers. The term of a member of a regional council shall begin on July 1 and shall extend for a four-year term and until a successor is duly appointed and qualifies. A vacancy in the office of a member of any regional council shall be filled by the appointing authority, for the unexpired term.

The regional environmental education council corresponding to the metropolitan area ~~regional~~ development ~~commission~~ region as designated by the governor pursuant to section 462.385 executive order 8, dated September 1, 1971, shall consist of one member from each of the five task forces hereafter created and seven public members. One task force consisting of seven members shall be appointed by the chair of the state board with the approval of the board to represent each of the following five geographic areas: the city of Minneapolis; the remainder of Hennepin county; Carver, Scott and Dakota counties; Ramsey county; and Anoka and Washington counties. Each task force shall select one of its members to serve on the metropolitan regional environmental education council. Members of the task forces shall be compensated and shall have terms similar to those of the regional environmental education councils.

Sec. 10. Minnesota Statutes 1988, section 116E.03, subdivision 8, is amended to read:

Subd. 8. [CONTRACTS.] The chief administrative officer of the state board may contract with persons, firms, corporations, organizations, units of government or institutions of higher learning for doing any of the work of the chief administrative officer, and none of the provisions of chapter 16, relating to bids, shall apply to such contracts. The regional councils may contract with the regional area development commissions designated by the governor pursuant to Minnesota Statutes 1971, section 462.385 alliances established under section 462.387, to accomplish the purposes of sections 116E.01 to 116E.04. All personnel employed and all contracts entered into pursuant to this subdivision shall be subject to the approval of the state board. Agreements to exercise delegated powers shall be by written order filed with the secretary of state.

Sec. 11. Minnesota Statutes 1988, section 116G.03, subdivision 5, is amended to read:

Subd. 5. "Regional Area development commission alliance" means any regional an area development commission created pursuant to sections 462.381 to 462.396 alliance established under section 462.387 and the metropolitan council created by established under chapter 473.

Sec. 12. Minnesota Statutes 1988, section 116G.06, is amended to read:

116G.06 [DESIGNATION.]

Subdivision 1. (a) The board shall periodically study and assess the resources and development of the state and shall recommend to the governor those areas that should be designated as areas of critical concern in accordance with criteria established in section 116G.05. In its recommendations, the board shall specify the boundaries of the proposed area of critical concern, state the reasons why the particular area proposed is of critical concern to the state or region, the dangers that would result from uncontrolled or inappropriate development of the area and the advantages that would be achieved from the development of the area in a coordinated manner and shall recommend specific principles for guiding the development of the area.

(b) Each ~~regional area development commission~~ alliance may from time to time recommend to the board areas wholly or partially within its jurisdiction that meet the criteria for areas of critical concern as defined in section 116G.05. Each ~~regional area development commission~~ alliance shall solicit from the local units of government within its jurisdiction suggestions as to areas to be recommended. A local unit of government in an area where no ~~regional area development commission~~ alliance has been established may from time to time recommend to the board areas wholly or partially within its jurisdiction that meet the criteria for areas of critical concern as defined in section 116G.05. The board shall provide the ~~regional area development commission~~ alliance or local unit of government with a written statement of its decision and the reasons therefor.

(c) Prior to submitting any recommendations to the governor, under this subdivision, the board shall conduct a public hearing in the manner provided in chapter 14 on the proposed designation at a location convenient to those persons affected by such designation.

Subd. 2. (a) The governor may designate by written order all or part of the recommended areas as areas of critical concern and specify the boundaries thereof and shall notify all local units of government in which any part or parts of a designated area or areas of critical concern are located.

(b) The order designating an area of critical concern shall (1) describe the boundaries of the area of critical concern, (2) indicate the reason that a particular area is of critical concern, (3) specify standards and guidelines to be followed in preparing and adopting plans and rules required in section 116G.07, and (4) indicate what development, if any, shall be permitted consistent with the policies

of sections 116G.01 to 116G.14 pending the adoption of plans and rules.

(c) The order designating an area of critical concern shall be effective for no longer than three years pending approval by the legislature or by the regional area development commission alliance, where one exists, of each development region alliance area in which a part of the area of critical concern is located. After a regional area development commission alliance has approved the designation of an area of critical concern, it shall not revoke or rescind its approval, except as necessary to update and reevaluate plans and regulations under section 116G.10.

Sec. 13. Minnesota Statutes 1988, section 116G.07, is amended to read:

116G.07 [PREPARATION, REVIEW, AND APPROVAL OF PLANS AND REGULATIONS.]

Subdivision 1. (a) Within 30 days of receiving notification of the designation of an area or areas of critical concern within its jurisdiction, the local unit of government shall submit existing plans and regulations which deal with or affect the area or areas so designated to the appropriate regional area development commission alliance or to the board if no regional area development commission alliance has been established.

(b) If no plans or regulations exist, the local unit of government shall upon receiving notification of the designation of an area or areas of critical concern within its jurisdiction:

(1) Within six months of said notification prepare plans and regulations for the designated area or areas of critical concern and submit them to the appropriate regional area development commission alliance for review; or

(2) Within 30 days of said notification request that the appropriate regional area development commission alliance prepare plans and regulations for the area or areas of critical concern. Within six months of receipt of such request, the regional area development commission alliance shall prepare said plans and regulations and submit them to the board for review. If no regional area development commission alliance has been established, the local unit of government may request that the board prepare plans and rules for adoption by the local unit of government.

Subd. 2. Within 45 days of receiving plans and regulations from the local unit of government under the provisions of subdivision 1, the regional area development commission alliance shall review the plans and regulations to determine their consistency with regional

objectives and the provisions of the order designating the areas of critical concern and transmit its recommendations, together with the plans and regulations, to the board.

Subd. 3. (a) Within 45 days of receiving plans and regulations from the local unit of government or a ~~regional~~ an area development commission alliance, the board shall review the plans and regulations to determine their consistency with the provisions of the order designating the area, the recommendations of the ~~regional~~ an area development commission alliance, and the review comments of such state agencies as the board shall deem appropriate, and shall either approve the plans and regulations by written order or return them to the local unit of government or ~~regional~~ an area development commission alliance for modification along with a written explanation of the need for modification.

(b) Plans and regulations which are returned to the local unit of government or ~~regional~~ an area development commission alliance for modification shall be revised consistent with the instructions of the board and resubmitted to the board within 60 days of their receipt, provided that final revision need not be made until a formal meeting has been held with the board on the plans and regulations if requested by the local unit of government or ~~regional~~ an area development commission alliance.

(c) Plans or regulations prepared pursuant to this section shall become effective when enacted by the local unit of government or, following legislative or ~~regional~~ an area development commission alliance approval of the designation, upon such date as the board may provide in its order approving said plans and regulations.

Sec. 14. Minnesota Statutes 1988, section 116G.08, is amended to read:

116G.08 [EXCEPTIONS.]

(a) If, in the opinion of the board, the local unit of government is making a conscientious attempt to develop plans and regulations for the protection of a designated area or areas of critical concern within its jurisdiction, but the scope of the project is of a magnitude that precludes the completion, review, and adoption of the plans and regulations within the time limits established in section 116G.07, the board may grant an appropriate extension of time.

(b) If the board determines that a designated area or areas of critical concern is of a size and complexity that precludes the development of plans and regulations by a local unit of government or a ~~regional~~ an area development commission alliance, or that the development of plans and regulations requires the assistance of the state, the board shall direct the appropriate state agency or agencies to assist the local unit of government and the ~~regional~~ an area devel-

opment ~~commission~~ alliance in preparing the plans and regulations in accordance with a time schedule established by the board.

Sec. 15. Minnesota Statutes 1988, section 116J.971, subdivision 2, is amended to read:

Subd. 2. [RURAL REGION AREA REPRESENTATION.] The department of trade and economic development shall divide the part of the state located outside of the metropolitan area as defined in section 473.121, subdivision 2, into six regions. A region's boundaries must be coterminous with the boundaries of one or more of the development regions alliance areas established under section ~~462.385~~ 462.387.

Sec. 16. Minnesota Statutes 1988, section 116N.08, subdivision 2, is amended to read:

Subd. 2. [FUNDING REGIONS.] The board shall divide the state outside of the metropolitan area as defined in section 473.121, subdivision 2, into six regions. A region's boundaries must be coterminous with the boundaries of one or more of the development regions alliance areas established under section ~~462.385~~ 462.387. The board shall designate up to \$1,000,000 for each region, to be awarded over a period of three years. The money designated to each region must be used for revolving loans authorized in this section.

Sec. 17. Minnesota Statutes 1988, section 123.58, subdivision 2, is amended to read:

Subd. 2. [ESTABLISHMENT OF EDUCATIONAL COOPERATIVE SERVICE UNITS.] (a) In furtherance of this policy, ten educational cooperative service units are designated. Each unit, should it become operational, shall be termed an educational cooperative service unit, hereafter designated as an ECSU. Geographical boundaries for each ECSU shall coincide with those identified in governor's executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973, issued pursuant to the regional development act of 1969, Minnesota Statutes, sections ~~462.381~~ to ~~462.397~~, with the following exceptions:

(i) Development regions one and two shall be combined to form a single ECSU;

(ii) Development regions six east and six west shall be combined to form a single ECSU;

(iii) Development regions seven east and seven west shall be combined to form a single ECSU.

The ECSU shall cooperate with the regional area development

commission alliance for the region area with which its boundaries most closely coincide but shall not be responsible to nor governed by that regional area development commission alliance.

(b) The geographic location of the central administrative office of a school district shall determine the membership of the total school district in a particular ECSU. Existing school district boundaries shall not be altered as a result of this section.

(c) Two or more identified ECSU units may, upon approval by a majority of school boards of participating school districts in each affected ECSU, be combined and administered as a single ECSU unit but state assistance shall be allocated on the basis of two or more ECSU units.

(d) The initial organization of each ECSU may occur only upon petition to the state board of education by a majority of all school districts in an ECSU. The state board of education shall, upon receipt of this petition, invite representation from all public school districts and shall encourage the participation of nonpublic school administrative units to the extent allowed by law in an ECSU at a regional meeting. The state board of education shall then assist in the necessary organizational activities for establishment of an ECSU pursuant to the requirements of this section.

Sec. 18. Minnesota Statutes 1988, section 134.34, subdivision 3, is amended to read:

Subd. 3. Regional library basic system support grants shall be made only to those regional public library systems officially designated by the state board of education as the appropriate agency to strengthen, improve and promote public library services in the participating areas. The state board of education shall designate no more than one such regional public library system located entirely within any single development region existing under sections 462.381 to 462.396 or chapter 473 as designated in governor executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973.

Sec. 19. Minnesota Statutes 1988, section 138.93, subdivision 1, is amended to read:

Subdivision 1. [STATE ASSISTANCE.] The state may pay part of the cost of construction of non-state-owned historical interpretive center projects. The state's share may not exceed 50 percent of the cost of any project. In regions 3, 4, 9, 10, and 11, expenditures from appropriations by the 1977, 1978, and 1979 legislature shall be considered part of the state share of the project cost for the purposes of this section. No more than ten percent of the state's share of future appropriations pursuant to this section may be used for professional services. Development regions are the regions designated pursuant

to section 462.385 in governor executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973. There shall not be more than one state assisted project in each region.

Sec. 20. Minnesota Statutes 1988, section 145A.09, subdivision 6, is amended to read:

Subd. 6. [BOUNDARIES OF COMMUNITY HEALTH SERVICE AREAS.] The community health service area of a multicounty or multicity community health board must be within a region designated an alliance area established under sections 462.381 to 462.398, unless this condition is waived by the commissioner with the approval of the regional area development commission alliance directly involved or the metropolitan council, if appropriate. In a region an area without a regional an area development commission alliance, the commissioner of the state planning agency shall act in place of the regional area development commission alliance.

Sec. 21. Minnesota Statutes 1988, section 174.031, subdivision 1, is amended to read:

Subdivision 1. [STUDIES DIRECTED.] The commissioner of transportation shall establish and direct a series of highway jurisdiction studies at the regional and multicounty level. The studies must be so designed and conducted as to constitute a comprehensive review in each development region, as designated under section 462.385 alliance area established under section 462.387, of the existing ownership of all roads and proposed changes in jurisdiction of those roads.

Sec. 22. Minnesota Statutes 1988, section 245.872, subdivision 2, is amended to read:

Subd. 2. [DISTRIBUTION OF FUNDS.] The commissioner shall allocate grant money appropriated for child care services among the 12 development regions designated by the governor under section 462.385 executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973, in proportion to the ratio of the number of children to the number of licensed child care slots available in each region. Out of the amount allocated for each development region, the commissioner shall award grants based on the recommendation of the grant review advisory task force. In addition, the commissioner shall:

(1) award no more than 75 percent of the money either to child care facilities for the purpose of facility improvement or interim financing or to child care workers for staff training expenses; and

(2) redistribute funds not awarded by January 1, 1989, without regard to the distribution formula in this subdivision.

Sec. 23. Minnesota Statutes 1988, section 252.46, subdivision 4, is amended to read:

Subd. 4. [NEW VENDORS.] Payment rates established by a county for calendar years 1988 and 1989, for a new vendor for which there were no previous rates must not exceed 125 percent of the average payment rates in the regional development commission district under sections 462.381 to 462.396 region, as designated in governor executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973, in which the new vendor is located.

Sec. 24. Minnesota Statutes 1988, section 252.46, subdivision 8, is amended to read:

Subd. 8. [COMMISSIONER'S NOTICE TO BOARDS; VENDORS.] The commissioner shall notify the county boards and vendors of:

(1) the average regional payment rates and 125 percent of the average regional payments rates for each of the regional development commission districts designated in sections 462.381 to 462.396 regions designated in governor executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973; and

(2) the projected inflation rate for the year in which the rates will be effective equal to the most recent projected change in the urban consumer price index, all items, published by the United States Department of Labor, for the upcoming calendar year over the current calendar year.

Sec. 25. Minnesota Statutes 1988, section 256E.08, subdivision 10, is amended to read:

Subd. 10. [INTERCOUNTY COOPERATION.] Two or more contiguous counties that are situated within the boundaries of the same region designated alliance area established pursuant to sections 462.381 to 462.396 or the metropolitan area as defined in section 473.121, subdivision 2, and that have not established a human services board may, by resolution of their respective county boards, agree to combine into one board for social service purposes to serve the counties that enter into the agreement. The joint board shall have the same powers, duties, and functions as the individual county boards. The term of the joint board, withdrawal from the joint board, composition of the board, and contribution to the expenses of the board shall be according to the terms of the agreement. Nothing in this section shall prevent a county board from purchasing services from an agency outside the boundaries of the Minnesota economic development region alliance area in which it is situated. A joint board established pursuant to this section may encompass completely two regions. Insofar as possible, social services which are

jointly administered shall be equally accessible to all residents of the counties that are party to the agreement.

Sec. 26. Minnesota Statutes 1988, section 402.01, subdivision 1, is amended to read:

Subdivision 1. One or more contiguous counties situated within the boundaries of the same ~~region designated~~ alliance area established pursuant to sections 462.381 to 462.396 or section 473.122, may, by resolution of their county boards of commissioners, designate a human services board having the composition, powers, and duties provided in sections 402.01 to 402.10.

Sec. 27. Minnesota Statutes 1988, section 462A.04, subdivision 1, is amended to read:

Subdivision 1. There is created a public body corporate and politic to be known as the "Minnesota housing finance agency," which shall perform the governmental functions and exercise the sovereign powers delegated to it in this chapter in furtherance of the public policies and purposes declared in section 462A.02. The agency shall consist of the commissioner of trade and economic development, state auditor, and five public members appointed by the governor with advice and consent of the senate. No more than two public members shall reside in the area of jurisdiction of the metropolitan council as provided in section 473.123, subdivision 1, and no more than one public member shall reside in any one of the ~~development~~ regions alliance areas established under the provisions of sections 462.381 to 462.396. Each member shall hold office until a successor has been appointed and has qualified. A certificate of appointment or reappointment of any member shall be conclusive evidence of the due and proper appointment of the member.

Sec. 28. [REPEALER.]

Minnesota Statutes 1988, section 116K.11, is repealed."

Delete the title and insert:

"A bill for an act relating to economic development; revising provisions governing regional development commissions; renaming regional development commissions; authorizing the establishment of area development alliances; appropriating money; amending Minnesota Statutes 1988, sections 110B.08, subdivision 2; 115A.03, subdivisions 8 and 26; 115A.09, subdivision 3; 115A.21, subdivision 2; 115A.45; 115A.52; 115A.64, subdivision 3; 116E.02, subdivision 1; 116E.03, subdivision 8; 116G.03, subdivision 5; 116G.06; 116G.07; 116G.08; 116J.971, subdivision 2; 116N.08, subdivision 2; 123.58, subdivision 2; 134.34, subdivision 3; 138.93, subdivision 1; 145A.09, subdivision 6; 174.031, subdivision 1; 245.872, subdivision 2; 252.46,

subdivisions 4 and 8; 256E.08, subdivision 10; 402.01, subdivision 1; 462.381; 462.382; 462.383; 462.384, subdivisions 1, 2, 7, and by adding subdivisions; 462.386; 462.387; 462.388; 462.389; 462.39; 462.393; 462.394; 462.395; 462.396; 462.397; 462.398; and 462A.04, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 462; repealing Minnesota Statutes 1988, sections 116K.11; 462.371; 462.372; 462.373; 462.374; 462.375; 462.384, subdivisions 3, 4, 5, and 6; 462.385; 462.391; and 462.392."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 501, A bill for an act relating to education; vocational technical; allowing purchase of real property by independent school district No. 347.

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

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 505, A bill for an act relating to veterans; removing a limitation on veterans in the category of protected groups for the purpose of state employment; amending Minnesota Statutes 1988, section 43A.02, subdivision 33.

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

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 514, A bill for an act relating to veterans affairs; increasing the amount of educational assistance for war orphans and veterans; increasing educational assistance for POW/MIA dependents; providing for cost-of-living increases; amending Minnesota Statutes 1988, sections 197.75, subdivision 1; and 197.752.

Reported the same back with the following amendments:

Page 1, line 26, delete "\$525" and insert "\$900"

Page 2, line 1, delete "\$525" and insert "\$900"

Page 2, line 31, delete "\$325" and insert "\$900"

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 521, A bill for an act relating to agriculture; authorizing a grasshopper control program; providing inspection and control of plant pests in the same manner as noxious weeds; providing for inspection, control, and enforcement of noxious weeds and plant pests; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 18.022, subdivision 2; 84.0895, subdivision 2; and 160.02, subdivision 14; proposing coding for new law in Minnesota Statutes, chapter 18; repealing Minnesota Statutes 1988, sections 18.171 to 18.315; Revised Laws of Minnesota 1905, sections 2385, 2386, 2387, 2388, 2389, and 2390.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 18.022, subdivision 2, is amended to read:

Subd. 2. [COST.] (a) ~~In order~~ To defray the cost of such the activities under subdivision 1, the governing body of any such a political subdivision may levy a special tax which, except when levied by a county, ~~shall~~ must not exceed two-thirds mill in any year in excess of charter or statutory millage limitations; ~~but not in any event more than 50 cents per capita; and any such.~~ The political subdivision may make such a the levy, where necessary, separate from the general levy and at any time of the year. (b) If, because of the prevalence of Dutch elm disease, the governing body of such a political subdivision is unable to defray the cost of control activities authorized by this section within the limits set by this subdivision, the limits set by this subdivision are increased to 1½ mills, but not in any event more than one dollar per capita.

NOXIOUS WEED AND PLANT PEST CONTROL

Sec. 2. [18.801] [CITATION.]

Sections 2 to 22 may be cited as the “noxious weed and plant pest control law.”

Sec. 3. [18.805] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 2 to 22. [18.171 s. 1]

Subd. 2. [ERADICATE.] “Eradicate” means complete killing of weeds by use of cutting, chemicals, tillage, cropping system, pasturing, livestock, or crops, or all of these in effective combination. [18.171 s. 6]

Subd. 3. [LAND.] “Land” includes wetlands and public waters. [18.171 s. 8]

Subd. 4. [MUNICIPALITY.] “Municipality” means a statutory or home rule charter city or township. [18.171 s. 2]

Subd. 5. [NONRESIDENT PROPERTY.] “Nonresident property” means property that is unoccupied, the owner of which does not reside within the county. [18.171 s. 3]

Subd. 6. [NOXIOUS WEEDS.] “Noxious weeds” means the annual, biennial, and perennial plants that are declared noxious weeds by law, or by the commissioner by order after determining the plants to be injurious to public health or welfare, public roads, crops, livestock, and other property. The commissioner’s orders under this subdivision are not subject to chapter 14, except section 14.38, subdivisions 7 and 8. [18.171 s. 5]

Subd. 7. [OTHERWISE DESTROY.] “Otherwise destroy” means killing plant pests or noxious weeds above the surface of the ground. [18.171 s. 6]

Subd. 8. [PERMANENT PASTURE AND MEADOW.] “Permanent pasture and meadow” means an area of native or seeded perennial grasses and other perennial plants used for hay or grazing that has been seeded for more than two years and does not include annuals or biennials planted for or to be used for hay or pasture not more than one or two years. [18.171 s. 7]

Subd. 9. [PLANT PESTS.] “Plant pests” means insects declared to be plant pests by law, or by the commissioner by order after determining the plant pests are injurious to the public health or welfare and damaging to plants. The commissioner’s orders under

this subdivision are not subject to chapter 14, except section 14.38, subdivisions 7 and 8.

Subd. 10. [RESIDENT PROPERTY.] "Resident property" means property occupied or owned by persons residing within the county. [18.171 s. 4]

Subd. 11. [ROAD.] "Road" means trunk highways, county state-aid highways, county highways, minimum maintenance roads, and cartways.

Subd. 12. [ROAD AUTHORITY.] "Road authority" means the commissioner for trunk highways, the county board for county state-aid highways and county highways, the town board for town roads, and the governing bodies of cities if the governing bodies or city streets are specifically mentioned.

Subd. 13. [WEED AND PLANT PEST LAW.] "Weed and plant pest law" means the provisions of sections 2 to 22 and other provisions of law relating to weed and plant pest control.

RESPONSIBILITY FOR WEED AND PLANT PEST CONTROL

Sec. 4. [18.811] [LANDOWNER'S RESPONSIBILITY FOR NOXIOUS WEED AND PLANT PEST CONTROL.]

Subdivision 1. [GENERAL DUTY.] Except as otherwise specifically provided in sections 2 to 22, a person occupying property or, if the property is unoccupied, the owner of the property, the owner's agent, or the public official in charge of the property must:

(1) eradicate or otherwise destroy noxious weeds standing, existing, or growing on the land in a manner and at times directed or ordered by the commissioner, the commissioner's authorized agents, the county agricultural inspector, or a local weed and plant pest inspector having jurisdiction over the land; and

(2) eradicate or otherwise destroy plant pests in a manner and at times directed or ordered by the commissioner, the commissioner's authorized agents, the county agricultural inspector, or a local weed and plant pest inspector having jurisdiction over the land. [18.191]

Subd. 2. [RESPONSIBILITY FOR PURPLE LOOSESTRIFE ON PUBLIC WATERS.] (a) Except as provided in paragraph (b), an owner of nonfederal lands underlying public waters or wetlands designated under section 105.391 is not required to control or eradicate purple loosestrife (*Lythrum salicaria*) below the ordinary high water level of the public water or wetland. The commissioner of natural resources is responsible for control and eradication of

purple loosestrife on public waters and wetlands designated under section 105.391, except purple loosestrife on lands owned in fee title or managed by the United States. The officers, employees, agents, and contractors of the commissioner may enter public waters and wetlands designated under section 105.391 and may cross adjacent lands as necessary for the purpose of investigating purple loosestrife infestations, formulating methods of eradication, and implementing control and eradication of purple loosestrife.

(b) The responsibility of the commissioner to control and eradicate purple loosestrife on public waters and wetlands located on private lands and the authority to enter private lands ends ten days after receipt by the commissioner of a written statement from the landowner that the landowner assumes responsibility for control and eradication of purple loosestrife under sections 2 to 22.

(c) State officers, employees, agents, and contractors are not liable in a civil action for trespass committed in the discharge of their duties under this section and are not liable to anyone for damages, except for damages arising from gross negligence. [18.191]

Sec. 5. [18.815] [RAILWAY COMPANIES MUST DESTROY NOXIOUS WEEDS AND PLANT PESTS.]

Subdivision 1. [DUTY TO ERADICATE.] Railway companies including suburban railway companies must:

(1) cause all noxious weeds standing, existing, or growing on the right-of-way or on property of the company adjoining the right-of-way, to be eradicated or otherwise destroyed in a manner and at times directed or ordered by the commissioner, the local weed and plant pest inspector, or the county agricultural inspector after consultation with the local weed and plant pest inspector; and

(2) eradicate or otherwise destroy plant pests in a manner and at times directed or ordered by the commissioner, the local weed and plant pest inspector, or the county agricultural inspector after consultation with the local weed and plant pest inspector. [18.201]

Subd. 2. [FAILURE TO ERADICATE.] (a) If a company fails to perform its duty, the local weed and plant pest inspector, or the county agricultural inspector after consultation with the local weed and plant pest inspector, shall give the notice provided in section 14, subdivision 2. The notice must be served in the manner for serving a summons in a civil action in the district court.

(b) If the weeds or plant pests are not eradicated or otherwise destroyed within the time directed in the notice, the local weed and plant pest inspector, the county agricultural inspector after consultation with the local weed and plant pest inspector, or the commis-

sioner shall cause the weeds or plant pests to be eradicated and otherwise destroyed and furnish the owner of the land where the weeds or plants grew or where the plant pests were located with an itemized statement showing the reasonable cost of eradication and destroying the weeds or the plant pests. The owner of the land must pay the reasonable cost to the municipality that caused the eradication or destruction of the weeds or plant pests. If the owner fails to pay the reasonable cost within 20 days after the statement is furnished, the reasonable cost of eradication and destruction of the weeds or plant pests may be recovered by the municipality or by the commissioner in a civil action. [18.201]

Sec. 6. [18.821] [ROAD AUTHORITY RESPONSIBILITY FOR NOXIOUS WEEDS AND PLANT PESTS.]

Subdivision 1. [RESPONSIBILITY FOR ERADICATION.] Road authorities must:

(1) annually eradicate or otherwise destroy noxious weeds standing, located, or growing on roads and their rights-of-way, as often as necessary to prevent the ripening or scattering of seed and other propagating parts of the weeds, in the manner directed or ordered by the commissioner or the county agricultural inspector or local weed and plant pest inspector having jurisdiction; and

(2) eradicate or otherwise destroy plant pests in a manner and at times directed by the commissioner or the county agricultural inspector or local weed and plant pest inspector having jurisdiction. [18.211]

Subd. 2. [ACCOUNTING FOR EXPENSE.] The expense incurred must be charged against maintenance funds of the road authority provided for this purpose. [18.211]

Sec. 7. [18.825] [TAX-FORFEIT, TAX-EXEMPT, AND INDIAN RESERVATION LAND.]

If the officials or persons in charge of tax-exempt or tax-forfeited lands or Indian reservation lands fail to eradicate or otherwise destroy noxious weeds or plant pests in the manner prescribed in sections 2 to 22, or as provided in a served notice within the required number of days after service, the commissioner shall proceed to cause the noxious weeds or plant pests to be eradicated or otherwise destroyed. The expense incurred is a charge against funds provided for this purpose and, on presentation of an itemized account of the charges, payment must be made by the public officials in charge of the funds. [18.241 s. 3]

Sec. 8. [18.831] [CONTROL ON STATE LANDS.]

Subdivision 1. [LOCAL CONTROL IF STATE FAILS.] A town or municipality may eradicate or otherwise destroy or act to control noxious weeds or plant pests on state-owned property that is located within the boundary of the town or city if the state agency responsible for supervision and maintenance of the land fails to take steps to control the noxious weeds or plant pests within 14 days of receiving a notice to control the noxious weeds or plant pests from the town board or city council. [18.315]

Subd. 2. [EXPENSES.] A town or city that eradicates or otherwise destroys or acts to control noxious weeds or plant pests under this section must be reimbursed from the operating budget of the state agency responsible for the land and the amount is appropriated from that fund on presentation of documented proof of reasonable and necessary expenses incurred to prevent the spread of noxious weeds or plant pests from the state-owned land. Each request for reimbursement must first be approved by the commissioner of agriculture. [18.315]

Sec. 9. [18.835] [THRESHING EQUIPMENT CLEANED BEFORE MOVING.]

Subdivision 1. [CLEANING OF THRESHING MACHINES REQUIRED.] A person owning or operating a threshing machine, combine, seed huller, hay baler, or other equipment used in the harvesting of crops, must immediately after completing the threshing of grain or seed at each and every point of threshing or before interstate or intrastate transit, clean or cause the machine to be cleaned, along with wagons and other outfits used in connection with the threshing, so that seeds of noxious weeds are not carried to, or on the way to, the next place of threshing by the threshing outfit. [18.221]

Subd. 2. [NOTICE.] A printed copy of this section, in form provided by the commissioner, must be affixed by the owner and remain affixed to every threshing machine, combine, seed huller, hay baler, and other equipment used in the harvesting of crops whenever that equipment is operated in the state. [18.221]

Subd. 3. [FINE.] A person violating this section is subject to a fine of not less than \$10 nor more than \$25 for each violation. [18.221]

Sec. 10. [18.841] [TRANSPORTATION OF NOXIOUS WEED MATERIAL.]

(a) Except as provided in section 21.74, a person may not transport on a public highway materials containing seeds or other propagating parts of leafy spurge, horse nettle, Austrian field cress, field bindweed, perennial pepper grass, wild radish, sow thistle, Canada thistle, hoary alyssum, purple loosestrife, or any other noxious weed designated by the commissioner, unless the person obtains a written

permit for the transportation of the material from a local or state weed and plant inspector or a county agricultural inspector.

(b) Inspectors may issue permits to persons residing or operating within their respective jurisdictions to regulate the transportation of the material and to require proper treatment, cleaning, sterilization, or destruction of material that has been or is about to be transported or deposited to prevent the growing or scattering of any weed seeds or other propagating parts contained in the material.

(c) Copies of permits issued under this section must be immediately sent to the commissioner. [18.241 s. 2]

Sec. 11. [18.845] [PACKAGING OF TRANSPORTED NOXIOUS WEED MATERIAL.]

Except as provided in section 21.74, a person may not transport on a public highway grain seed, screenings, hay forage, straw, soil, gravel, sand, or refuse and other materials containing seeds and other propagating parts of leafy spurge, horse nettle, Austrian field cress, field bindweed, perennial pepper grass, wild radish, sow thistle, Canada thistle, hoary alyssum, purple loosestrife, or any other noxious weeds designated by the commissioner, unless it is in sacks, bales, boxes, or other containers sufficiently tight and closed or covered with canvas or other material to prevent seeds and other propagating parts of the weeds from blowing or scattering along the highway or on other lands or water. [18.241 s. 2]

Sec. 12. [18.851] [SCATTERING OR DUMPING NOXIOUS WEED MATERIAL PROHIBITED.]

Subdivision 1. [SCATTERING OR DUMPING PROHIBITED.] Except as provided in subdivision 2, a person may not scatter or dump on land or in water:

(1) grain, seed, and screenings containing seeds and other propagating parts of noxious weeds in excess of legal limits of weed seeds per pound in agricultural seed; or

(2) soil, gravel, rubbish, trash, and other materials containing seeds or other propagating parts of noxious weeds in harmful amounts as determined by rule of the commissioner. [18.241 s. 2]

Subd. 2. [EXCEPTION.] The material described in subdivision 1 may be scattered or dumped if it is processed, treated, or buried sufficiently deep to destroy viable seeds and other propagating parts contained by the material so that the legal limit of viable weed seeds per pound in agricultural seed is not exceeded. [18.241 s. 2]

INSPECTION AND WEED CONTROL

Sec. 13. [18.855] [INSPECTORS.]

Subdivision 1. [COUNTY AGRICULTURAL INSPECTORS.] (a) The board of county commissioners, when requested by the commissioner, shall appoint one or more county agricultural inspectors who meet qualifications prescribed by the commissioner.

(b) Agricultural inspectors shall:

(1) enforce the provisions of laws and rules relating to weed control and seed inspection;

(2) enforce laws and rules relating to plant pests and plant pest control;

(3) participate in insect and plant disease, poison, feed, and fertilizer programs; and

(4) participate in other agricultural programs by request of the commissioner that are under the commissioner's control, unless the board of county commissioners vetoes participation in the programs.

(c) The appointment of agricultural inspectors is for full-time employment, or for a period of time mutually agreeable to the board of county commissioners and the commissioner. The resolution appointing agricultural inspectors must set the compensation to be paid to the persons appointed and in addition provide for reimbursement of necessary traveling expenses. [18.231 s. 1]

Subd. 2. [TOWN BOARD MEMBERS AS LOCAL WEED AND PLANT PEST INSPECTORS.] (a) The members of town boards are local weed and plant pest inspectors within their respective towns.

(b) A town board may appoint persons as assistant weed and plant pest inspectors. An assistant weed and plant pest inspector has the powers and authority of a town board member as a weed and plant pest inspector. An appointment may be for full time or part time. Notice of an appointment, with a statement of the time for which appointment is made, must be delivered to the commissioner within ten days after the date the appointment was made.

(c) The town board shall compensate the local weed and plant pest inspectors and assistant inspectors at a rate of at least \$1 per hour plus necessary traveling expenses. The hourly compensation must be an amount determined by the town board that is consistent with the hourly wage rate prevailing in the community or area for similar work and sufficient to obtain competent inspectors. The compensation is to be in addition to the amount allowed by law for

other supervisory duties, if any, performed by the local weed and plant pest inspectors or assistant inspectors. [18.231 s. 2]

Subd. 3. [MAYOR OF MUNICIPALITY IS LOCAL WEED AND PLANT PEST INSPECTOR.] (a) Except as provided in subdivision 4, the mayor of a municipality is the local weed and plant pest inspector in the municipality.

(b) A mayor of a municipality may appoint persons as assistant weed and plant pest inspectors in the municipality. An assistant local weed and plant pest inspector has the powers and authority of a local weed and plant pest inspector.

(c) Notice of an appointment must be sent to the commissioner within ten days from the date of the appointment.

(d) The compensation of the local weed and plant pest inspectors and assistant inspectors must be at least \$1 per hour plus necessary expenses. The hourly compensation must be determined by the municipal council in an amount consistent with the hourly wage rate prevailing in their community or area for similar work and sufficient to obtain competent inspectors. The compensation must be paid from the general revenue fund or other fund of the municipality designated by the council and is in addition to compensation and expenses paid to the local weed and plant pest inspectors or assistant inspectors for other duties as an official or employee of the municipality. [18.231 s. 3]

Subd. 4. [MINNEAPOLIS WEED AND PLANT PEST INSPECTOR.] (a) Notwithstanding the provisions of subdivision 3, the governing body of the city of Minneapolis shall appoint or designate an employee of the city as local weed and plant pest inspector and set an amount for compensation.

(b) The commissioner must be sent notice within ten days of the appointment or designation. [18.231 s. 3a]

Subd. 5. [PAYMENT OF EXPENSES.] (a) Failure on the part of a municipality or town to include the item of weed inspection in the annual budget is not an excuse and does not justify the nonpayment of charges or expenses incurred by inspectors under sections 2 to 22. The charges or expenses must be audited and paid as other obligations of the municipality or town are paid.

(b) If the commissioner determines that weed inspection has not been done commensurate with the bill presented, the commissioner may recommend to the county board, town board, or municipal council that the bill not be paid. [18.231 s. 4]

Subd. 6. [PAYMENT BY COUNTY.] If a municipality or town

neglects or refuses, for a period of 60 days, to make payments of charges or expenses incurred by local weed and plant pest inspectors, the inspectors must be paid by the county auditor on the recommendation of the commissioner, and the total of the amounts paid by the county must be included by the county auditor as a part of the next annual tax levy in the municipality or town and withheld from that municipality or town in making the next apportionment to the municipality or town. [18.231 s. 5]

Sec. 14. [18.861] [DUTIES OF LOCAL WEED AND PLANT PEST INSPECTORS.]

Subdivision 1. [EXAMINATION OF LAND.] A local weed and plant pest inspector shall examine all lands, roads, alleys, and public ground in the inspector's jurisdiction to determine if the property is in compliance with the weed and plant pest law and the rules of the commissioner. [18.241 s. 1]

Subd. 2. [NOTICE.] (a) If a local weed and plant pest inspector finds that property is not in compliance, the inspector shall cause a notice, in writing, on a form to be prescribed by the commissioner, to be given to the proper public official or to the owner or occupant, or to the agent of an owner of nonresident lands where noxious weeds are standing or growing and in danger of going to seed or otherwise spreading, or plant pests are located or plants harboring the eggs or offspring of plant pests are located.

(b) The notice must require:

(1) the noxious weeds to be cut down, otherwise destroyed, or eradicated on the land in a specified time and manner; or

(2) plant pests eradicated or the plant pests or pest-harboring plants eradicated or otherwise destroyed. [18.241 s. 1]

Subd. 3. [INSPECTOR ATTENDANCE AT CONFERENCES.] The inspector shall also attend, when required, conferences called by the commissioner to receive instructions and for a discussion of the weed and plant pest law and its administration. The commissioner must inform inspectors on control methods that minimize adverse environmental impact. [18.241 s. 1]

Sec. 15. [18.865] [NOTICE AND DESTRUCTION OF WEEDS BY INSPECTORS.]

Subdivision 1. [WEED AND PLANT PEST CONTROL NOTICES.] Weed and plant pest control notices may be general notices or individual notices. The notices must be on a form prescribed by the commissioner. [18.271 s. 1]

Subd. 2. [GENERAL NOTICE.] A general notice must be published by the local weed and plant pest inspector of a township, municipality, or county, in one or more legal newspapers of general circulation throughout the area over which the inspector has jurisdiction, on or before June 15 of each year, and at other times as directed by the commissioner or determined by the local weed and plant pest inspectors. [18.271 s. 1]

Subd. 3. [LACK OF NOTICE DOES NOT RELIEVE LAND-OWNER.] Failure of an inspector to publish general notices or to serve individual notices does not relieve a person from the duty of compliance with the weed and plant pest law. Published general notice is legal and sufficient notice. [18.271 s. 1]

Subd. 4. [INDIVIDUAL NOTICES.] (a) An inspector may cause individual notices to be served on landowners and occupants if more prompt or definite control or eradication of noxious weeds or plant pests in certain special or individual instances involving one or a limited number of persons is needed than is accomplished by the general published notices. Individual notices must be in writing and served on the owner and the occupant, if the occupant is not the owner, giving specific instructions and methods of when and how certain named weeds and plant pests are to be controlled or eradicated.

(b) The methods of control may include definite systems of tillage, cropping, management, and use of livestock and must be designed to minimize adverse environmental impact.

(c) Individual notices must be served in the same manner as a summons in a civil action in the district court or by certified mail. Service on persons living temporarily or permanently outside of the inspector's jurisdiction whose property is vacant or unoccupied may be made by sending the notice by certified mail to the last known address of the person, to be ascertained, if necessary, from the last tax list in the county treasurer's office. [18.271 s. 2]

Subd. 5. [DESTRUCTION BY INSPECTOR.] (a) If a person is served a notice but fails to eradicate or otherwise destroy noxious weeds or plant pests or a crop where the weeds or plant pests are intermingled or growing, within the time and manner designated by the inspector, the local weed and plant pest inspector having jurisdiction, or if there is no local weed and plant pest inspector, the county agricultural inspector or the commissioner, shall cause the weeds to be eradicated or otherwise destroyed at the expense of the county where the land is located.

(b) The claim for the expense of serving notices and the cost of eradicating or otherwise destroying the noxious weeds or plant pests is a legal charge against the county where the land is located. After eradicating or otherwise destroying noxious weeds or plant pests,

the inspector or the commissioner directing the control shall file verified and itemized statements of the costs of the services rendered in connection with serving of notices and eradicating or otherwise destroying the noxious weeds or plant pests on each separate tract or lot of land, with the county auditor where the land is located. The county auditor shall immediately issue proper warrants to pay the persons owed for the amounts specified.

(c) The amount of the expenses is a lien in favor of the county against the land where the weed or plant pest control occurred and must be certified by the county auditor and entered on the auditor's tax books as a tax on the land. The amount must be collected as other real estate taxes are collected. The amount of the expenses when collected must be used to reimburse the county for its weed and plant pest control expenditure. [18.271 s. 3]

Subd. 6. [CANNABIS SATIVA L.] Notwithstanding the provisions of subdivision 5 relating to procedures for payment of costs and expenses incurred, a county agricultural inspector may provide for the destruction of the plant Cannabis sativa L. at the expense of the county if strict compliance with subdivision 5 is considered impractical. [18.271 s. 3a]

Subd. 7. [COSTS AND EXPENSES.] (a) Notwithstanding the provisions of subdivision 5 relating to procedures for payment of costs and expenses incurred, if the local weed and plant pest inspector or the assistant weed and plant pest inspector of a city causes noxious weeds or plant pests to be eradicated or otherwise destroyed on property within the municipality under the authority of this section, the procedures in paragraphs (b) and (c) apply for costs and expenses thus incurred.

(b) Notice in writing of the work done and the costs and expenses involved must be served on the owner or occupant of the property in accordance with the individual notice provisions of subdivision 4. The notice must provide a tabulation of the total costs and expenses involved and indicate that if the total amount is not paid to the city within 30 days or before the following October 1, whichever is later, the costs and expenses become a lien in favor of the municipality and a penalty of eight percent must be added to the amount due as of that date, with the total costs, expenses, and penalty to be certified to the county auditor and entered on the auditor's tax books as a tax on the land.

(c) Amounts collected by the county auditor under this subdivision must be paid to the city to reimburse the municipality for the municipality's weed and plant pest control expenditures. [18.271 s. 4]

Subdivision 1. [INSPECTION AND NOTICE BY INSPECTOR.]

(a) Notwithstanding subdivisions 1 to 3, the local weed and plant pest inspector or county agricultural inspector may eradicate or otherwise destroy the weeds or pests, and the crop on areas not exceeding three acres in the aggregate in any one field or crop of 40 acres or less, other than permanent pasture or meadow, without a notification or application to the mayor or a county commissioner.

(b) Except as provided in paragraph (a), if a local weed and plant pest inspector or county agricultural inspector determines it is necessary to eradicate or otherwise destroy a growing crop or a part of the crop to prevent the spread of noxious weeds or plant pests within the inspector's jurisdiction, the inspector shall notify the mayor of the municipality or a county commissioner to inspect the crop. The notice must be in writing on a form prescribed by the commissioner. [18.251]

Subd. 2. [INSPECTION AND DETERMINATION BY MAYOR OR COUNTY COMMISSIONER.]

(a) If, after an inspection, the mayor or county commissioner determines that the weeds or plant pests and the crop or portion of the crop should be eradicated or otherwise destroyed, the eradicating or destroying must be performed immediately under the direction or by the authority of the local weed and plant pest inspector or under the direction of the county agricultural inspector.

(b) If the mayor or county commissioner determines after the inspection that the weeds or plant pests and the crop or a portion of the crop should not be eradicated or otherwise destroyed, the mayor or county commissioner shall report that determination to the commissioner.

(c) If, after being notified by the local weed and plant pest inspector or the county agricultural inspector to inspect a crop, the mayor or county commissioner fails to make the inspection and to report to the local weed and plant pest inspector or agricultural inspector within seven days after receiving a notice to inspect the crop, the local weed and plant pest inspector or county agricultural inspector may proceed to eradicate or otherwise destroy the weeds or plant pests and crop in the same manner as if the mayor or county commissioner notified had made an inspection and determined that the weeds or plant pests and crops should be eradicated or otherwise destroyed. [18.251]

Subd. 3. [DETERMINATION BY THE COMMISSIONER.] The commissioner shall make a final determination of whether the weeds or plant pests and the crop or portion of the crop should be eradicated or otherwise destroyed. If the commissioner determines that the weeds or plant pests and the crop or a portion of the crop should be eradicated or otherwise destroyed, the local weed and plant pest inspector or county agricultural inspector shall immedi-

ately cause the weeds or plant pests and the crop or portion of the crop to be eradicated or otherwise destroyed. [18.251]

Subd. 4. [ACTION FOR DAMAGES BARRED.] An action or claim for damages is not allowed or sustainable against anyone in respect to destruction or eradication of crops under this section. [18.251]

Sec. 17. [18.875] [REPORTS BY INSPECTORS.]

Local weed and plant pest inspectors and agricultural inspectors shall make reports as required by the commissioner. [18.261]

Sec. 18. [18.881] [INSPECTOR ENTRANCE UPON LAND NOT TRESPASS.]

A local weed and plant pest inspector, county agricultural inspector, the commissioner, or the commissioner's agents may enter any property without consent of the owner and without being subject to an action for trespass or damages in performance of duties under the weed and plant pest law. [18.241 s. 4]

FUNDING

Sec. 19. [18.885] [LOCAL FUNDING.]

Subdivision 1. [COUNTY FUNDING OF WEED AND PLANT PEST CONTROL.] (a) County boards shall provide funds and adequate equipment, materials, and labor for control, eradication, and other destruction of weeds and plant pests on county highways and property, and for assistance of county agricultural inspectors and local weed and plant pest inspectors in the county to inspect weed and plant pests and control and enforce the weed and plant pest law.

(b) Counties may cooperate with the state, towns, municipalities, and private property owners and provide county funds, equipment, materials, labor, and facilities for weed and plant pest inspection, control, and eradication with or without reimbursement from the public agency or private property benefited. [18.241 s. 3]

Subd. 2. [TOWN AND MUNICIPALITY FUNDING.] Towns and municipalities may by vote of their electors or governing boards provide funds, equipment, materials, and labor for weed and plant pest control and arrange for their use on public or private property within their jurisdiction with or without reimbursement from the public agency or property benefited. [18.241 s. 3]

ENFORCEMENT

Sec. 20. [18.891] [COMMISSIONER'S DUTIES.]

Subdivision 1. [IMPLEMENTATION AND ENFORCEMENT.] The commissioner shall implement and enforce the weed and plant pest control law. [18.181]

Subd. 2. [RULES.] The commissioner may adopt rules to implement the weed and plant pest control law. [18.181]

Subd. 3. [INVESTIGATION AND INSPECTION.] (a) The commissioner shall investigate noxious weeds and plant pests, and may require information from a county agricultural inspector, local weed and plant pest inspector, mayor, county commissioner, or county agent relative to the presence of noxious weeds or plant pests or other information about noxious weeds or plant pests and their control in the localities where the person resides or has jurisdiction. [18.181]

(b) The commissioner may enter or designate a person to enter property to take samples of weeds, weed seeds, grains, plants, plant pests, or other material needed for investigation of noxious weeds or plant pests. [18.181]

Subd. 4. [ERADICATION AND CONTROL INFORMATION.] (a) The commissioner shall suggest and formulate methods for the eradication and destruction of noxious weeds and plant pests from agricultural and other land in this state, including promotion of methods that minimize adverse environmental impact.

(b) The commissioner may publish and circulate bulletins, call and attend meetings and conventions, and conduct educational programs relating to noxious weeds and plant pests. [18.181]

Sec. 21. [18.895] [NOXIOUS WEED QUARANTINES.]

Subdivision 1. [COOPERATION WITH UNIVERSITY.] The commissioner shall cooperate with the dean of the institute of agriculture of the University of Minnesota in the study of life habits and eradication methods of noxious weeds and plant pests, including research and methods that minimize adverse environmental impact. [18.281]

Subd. 2. [PUBLICATION OF WEED AND PLANT PEST INFORMATION.] The commissioner shall publish information on life habits and eradication of noxious weeds and plant pests that minimize adverse environmental impact which will be in the public interest and of value to the agricultural communities of the state. [18.281]

Subd. 3. [QUARANTINE PERSONNEL AND EQUIPMENT.] The commissioner may employ personnel and purchase equipment and supplies necessary to implement this section. [18.281]

Subd. 4. [QUARANTINE OF WEED AND PLANT PEST INFESTED AREAS.] If the commissioner determines there is an infestation of noxious weeds or plant pests on a tract of land beyond the ability of the land occupant or owner to control, upon request of the owner or on the commissioner's own motion, the commissioner shall take action to prevent further spread of the weeds or plant pests. The commissioner may quarantine the portion of each infested tract of land and immediately take action to control the weeds and plant pests. [18.291]

Subd. 5. [MUST GIVE WRITTEN NOTICE.] The commissioner, on entering a tract of land for weed or plant pest control or quarantine under subdivision 4, shall give written notice to the owner of the entry and quarantine, and shall also give the owner written notice of the completion of the control action. [18.301]

Subd. 6. [GENERAL ALLOCATION OF EXPENSES.] The expenses of a noxious weed quarantine and control action, including cost of chemicals and other materials used, except machinery and other equipment, must be paid from the fund provided for this purpose. The fund must be reimbursed for the expenses by January 1 of each year in the following amounts:

(1) 20 percent of the expenses by the county;

(2) 10 percent of the amount by the town where the land is quarantined and on which control actions are taken; and

(3) 10 percent of the expenses by the landowner. [18.311]

Subd. 7. [ALLOCATION OF EXPENSES FOR HIGHWAY CONTROL.] If the quarantine and control actions of the commissioner are located on the sides of public highways, 50 percent of the expenses of the control actions must be paid by the state from the fund provided for this purpose, and:

(1) 50 percent from the funds provided for the maintenance of the state transportation department, if the infestation is on a state highway;

(2) 50 percent by the county, if the infestation is on a county or state-aid road; and

(3) 50 percent by the town, if the infestation is on a town road or cartway. [18.311]

Subd. 8. [ALLOCATION OF EXPENSES IN A MUNICIPALITY.] If the control actions of the commissioner are taken within the corporate limits of a municipality or on property used by a municipality, 50 percent of the expense of the control action must be paid by the state from the funds provided for this purpose and 50 percent by the municipality from its general revenue fund. [18.311]

PENALTIES

Sec. 22. [18.898] [CRIMINAL PENALTIES.]

Subdivision 1. [MISDEMEANOR.] A person is guilty of a misdemeanor who:

- (1) violates sections 2 to 21 or a rule of the commissioner;
- (2) fails, refuses, or neglects to comply with a notice served on the person and issued by the commissioner or a local weed and plant pest inspector;
- (3) fails, refuses, or neglects to perform a duty imposed by the noxious weed and plant pest law; [18.272]
- (4) enters property placed under quarantine by direction of the commissioner;
- (5) interferes with the operation of machinery or other equipment used by the commissioner or authorized agents implementing section 21, subdivision 4; or [18.312]
- (6) sells purple loosestrife, *Lythrum salicaria*. [18.182]

Subd. 2. [EXCLUSION FOR TOWN BOARD MEMBERS.] The penalty under subdivision 1 for failure, refusal, or neglect to perform a duty imposed by the noxious weed and plant pest law does not apply to a member of a town board for failure, refusal, or neglect to perform a duty imposed on a member of a town board as an inspector. [18.272]

GRASSHOPPER CONTROL PROJECT

Sec. 23. [GRASSHOPPER CONTROL ZONES.]

The commissioner of agriculture shall designate townships of counties that have had grasshopper surveys showing economic damage or potential economic damage as a grasshopper control zone where grasshoppers are a plant pest and control programs under sections 23 to 26 will be undertaken.

Sec. 24. [GRASSHOPPER CONTROL PROGRAM.]

(a) The commissioner of agriculture shall develop and implement a grasshopper control program to prevent crop damage in the grasshopper control zone. After consultation and cooperation with the state entomologist, the program must be developed to minimize adverse environmental impact, including the selection of pesticides and prescription of application rates.

(b) The grasshopper control program must utilize proven methods of grasshopper control and the commissioner may make grants for experimental methods of control in selected areas.

Sec. 25. [COST-SHARE.]

Subdivision 1. [ELIGIBILITY.] Private landowners are eligible for a 50 percent cost-share reimbursement for grasshopper control methods approved by the commissioner that are used on areas within the grasshopper control zone.

Subd. 2. [INSPECTION.] A county agricultural inspector or a local weed and plant pest inspector shall inspect the property where the grasshopper control is to occur and approve the control method to be used.

Subd. 3. [REIMBURSEMENT.] (a) An eligible private landowner may receive reimbursement for grasshopper control costs by presenting to the local weed and plant pest inspector:

(1) an inspection statement that the property was inspected prior to the control method being used; and

(2) approval by the local weed and plant pest inspector that an approved method was used.

(b) The local weed and plant pest inspector shall forward the reimbursement request to the county treasurer for payment.

(c) The county treasurer shall pay the reimbursement requests received from the local weed and plant pest inspectors.

Subd. 4. [PAYMENTS TO COUNTIES FOR COST-SHARE.] The commissioner of agriculture shall make payments to counties to pay for the cost-share payments under subdivision 3. The commissioner shall make funds available in advance based on anticipated need to allow reimbursement payments to be made as quickly as possible.

Subd. 5. [ADMINISTRATION.] (a) The commissioner of agriculture shall adopt procedures, guidelines, and forms to implement the grasshopper control cost-share program under this section. The

procedures, guidelines, and forms may be adopted notwithstanding chapter 14, except section 14.38, subdivisions 7 and 8, must be complied with.

(b) The commissioner of agriculture may require accounting procedures and reports to implement the program.

Sec. 26. [EXPERIMENTAL GRASSHOPPER CONTROL.]

Subdivision 1. [AUTHORIZATION.] The commissioner of agriculture may designate certain areas or types of controls for an experimental control program for methods that are not commonly used in the state or have not been proven to be effective.

Subd. 2. [ELIGIBLE PARTICIPANTS.] Public and private entities willing to participate in the experimental grasshopper control program may not be required to pay more than 20 percent of the cost of the experimental control methods on property they are responsible for controlling.

Subd. 3. [ADMINISTRATION.] The commissioner shall develop the experimental grasshopper control program and may adopt rules, guidelines, and procedures notwithstanding chapter 14 to implement the program, except the commissioner must comply with section 14.38, subdivisions 7 and 8.

Sec. 27. Minnesota Statutes 1988, section 84.0895, subdivision 2, is amended to read:

Subd. 2. [APPLICATION.] (a) Subdivision 1 does not apply to:

(1) plants on land classified for property tax purposes as class 2a or 2c agricultural land under section 273.13, or on ditches and roadways; and

(2) noxious weeds designated pursuant to ~~sections 18.171 to 18.315~~ section 3, subdivision 6, or to weeds otherwise designated as troublesome by the department of agriculture.

(b) If control of noxious weeds is necessary, it takes priority over the protection of endangered plant species, as long as a reasonable effort is taken to preserve the endangered plant species first.

(c) The taking or killing of an endangered plant species on land adjacent to class 3 or 3b agricultural land as a result of the application of pesticides or other agricultural chemical on the class 3 or 3b land is not a violation of subdivision 1, if reasonable care is taken in the application of the pesticide or other chemical to avoid impact on adjacent lands. For the purpose of this paragraph, class 3 or 3b agricultural land does not include timber land, waste land, or

other land for which the owner receives a state paid wetlands or native prairie tax credit.

(d) The accidental taking of an endangered plant, where the existence of the plant is not known at the time of the taking, is not a violation of subdivision 1.

Sec. 28. Minnesota Statutes 1988, section 160.02, subdivision 14, is amended to read:

Subd. 14. [NOXIOUS WEEDS.] "Noxious weeds" has the meaning given in section 18.171 3, subdivision 5 6.

Sec. 29. [APPROPRIATION.]

\$ is appropriated from the general fund to the commissioner of agriculture for grasshopper control under sections 23 to 26 to be available until June 30, 1991. Of this amount, not more than \$ may be used for experimental grasshopper control under section 26.

Sec. 30. [REPEALER.]

Subdivision 1. [GRASSHOPPER CONTROL PROGRAM.] Sections 23 to 26 are repealed June 30, 1991.

Subd. 2. [1905 GRASSHOPPER PROVISIONS.] Revised Laws of Minnesota 1905, sections 2385, 2386, 2387, 2388, 2389, and 2390, are repealed.

Subd. 3. [WEED LAWS.] Minnesota Statutes 1988, sections 18.171; 18.181; 18.182; 18.191; 18.201; 18.211; 18.221; 18.231; 18.241; 18.251; 18.261; 18.271; 18.272; 18.281; 18.291; 18.301; 18.311; 18.312; and 18.315, are repealed.

Sec. 31. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

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

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 528, A bill for an act relating to liquor; license eligibility; places and times of sale; sampling; amending Minnesota Statutes

1988, sections 340A.402; 340A.405, subdivision 1; 340A.504, subdivisions 2 and 4; and 340A.510.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 340A.402, is amended to read:

340A.402 [PERSONS ELIGIBLE.]

No retail license may be issued to:

- (1) a person not a citizen of the United States or a resident alien;
- (2) a person under 21 years of age;
- (3) a person who within five years of the license application has been convicted of a willful violation of a federal or state law or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution, of intoxicating or nonintoxicating malt liquors;
- (4) a person who has had an intoxicating liquor or nonintoxicating liquor license revoked within five years of the license application, or to any person who at the time of the violation owns any interest, whether as a holder of more than five percent of the capital stock of a corporation licensee, as a partner or otherwise, in the premises or in the business conducted thereon, or to a corporation, partnership, association, enterprise, business, or firm in which any such person is in any manner interested; or
- (5) (4) a person not of good moral character and repute.

In addition, no new retail license may be issued to, and the governing body of a municipality may refuse to renew the license of, a person who, within five years of the license application, has been convicted of a willful violation of a federal or state law or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution of an alcoholic beverage.

Sec. 2. Minnesota Statutes 1988, section 340A.405, subdivision 1, is amended to read:

Subdivision 1. [CITIES.] A city may issue with the approval of the commissioner, an off-sale intoxicating liquor license to an exclusive liquor store or to a drugstore. Cities of the first class may also issue an off-sale license to a general food store. A city of the first class may

issue an off-sale license to a general food store to which an off-sale license had been issued on the effective date of this section.

Sec. 3. Minnesota Statutes 1988, section 340A.504, subdivision 2, is amended to read:

Subd. 2. [INTOXICATING LIQUOR; ON-SALE.] No sale of intoxicating liquor for consumption on the licensed premises may be made:

(1) between 1:00 a.m. and 8:00 a.m. on the days of ~~Tuesday~~ Monday through Saturday;

(2) ~~between 12:00 midnight and 8:00 a.m. on Mondays~~;

(3) ~~after 1:00 a.m. on Sundays, except as provided by subdivision 3~~;

(4) (3) between 8:00 p.m. on December 24 and 8:00 a.m. on December 25, except as provided by subdivision 3.

Sec. 4. Minnesota Statutes 1988, section 340A.504, subdivision 3, is amended to read:

Subd. 3. [INTOXICATING LIQUOR; SUNDAY SALES; ON-SALE.] (a) A restaurant, club, bowling center, or hotel with a seating capacity for at least 30 persons and which holds an on-sale intoxicating liquor license may sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 12:00 noon on Sundays and ~~12:00 midnight on Sundays~~ 1:00 a.m. on Mondays.

(b) The governing body of a municipality may after one public hearing by ordinance permit a restaurant, hotel, bowling center, or club to sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 10:00 a.m. on Sundays and ~~12:00 midnight on Sundays~~ 1:00 a.m. on Mondays, provided that the licensee is in conformance with the Minnesota clean air act.

(c) An establishment serving intoxicating liquor on Sundays must obtain a Sunday license. The license must be issued by the governing body of the municipality for a period of one year, and the fee for the license may not exceed \$200.

(d) A municipality may issue a Sunday intoxicating liquor license only if authorized to do so by the voters of the municipality voting on the question at a general or special election.

(e) An election conducted in a town on the question of the issuance by the county of Sunday sales licenses to establishments located in the town must be held on the day of the annual election of town officers.

(f) Voter approval is not required for licenses issued by the metropolitan airports commission or common carrier licenses issued by the commissioner. Common carriers serving intoxicating liquor on Sunday must obtain a Sunday license from the commissioner at an annual fee of \$50, plus \$5 for each duplicate.

Sec. 5. Minnesota Statutes 1988, section 340A.504, subdivision 4, is amended to read:

Subd. 4. [INTOXICATING LIQUOR; OFF-SALE.] No sale of intoxicating liquor may be made by an off-sale licensee:

(1) on Sundays;

(2) before 8:00 a.m. on Monday through Saturday;

(3) after 10:00 p.m. on Monday through Saturday at an establishment located in a city other than a city of the first class or within a city located within 15 miles of a city of the first class in the same county;

(4) after 8:00 p.m. on Monday through Thursday and after 10:00 p.m. on Friday and Saturday at an establishment located in a city of the first class or within a city located within 15 miles of a city of the first class in the same county, provided that an establishment may sell intoxicating liquor until 10:00 p.m. on December 31 and July 3, and on the day preceding Thanksgiving day, unless otherwise prohibited under clause (1);

(5) on New Years Day, January 1;

(6) on Independence Day, July 4;

(7) on Thanksgiving Day;

(8) (6) on Christmas Day, December 25; or

(9) (7) after 8:00 p.m. on Christmas Eve, December 24.

Sec. 6. Minnesota Statutes 1988, section 340A.510, is amended to read:

340A.510 [WINE SAMPLES.]

Off-sale licenses and municipal liquor stores may provide samples of malt liquor, wine, liqueurs, and cordials which the licensee or municipal liquor store currently has in stock and is offering for sale to the general public without obtaining an additional license, provided the wine, liqueur, and cordial samples are dispensed at no charge and consumed on the licensed premises during the permitted hours of off-sale in a quantity less than 100 milliliters of malt liquor per variety per customer, 50 milliliters of wine per variety per customer and 25 milliliters of liqueur or cordial per variety per customer.

Sec. 7. [OFF-SALE LICENSE; CANOSIA TOWNSHIP.]

Notwithstanding any other provision of law, the town board of Canosia township in St. Louis county may issue an off-sale intoxicating liquor license to an exclusive liquor store with the approval of the commissioner of public safety. A license under this section is governed by all provisions of Minnesota Statutes, chapter 340A, except as otherwise provided in this section.

Sec. 8. [REPEALER.]

Minnesota Statutes 1988, section 340A.412, subdivision 1, is repealed.

Sec. 9. [EFFECTIVE DATE.]

Section 5 is effective the day following final enactment. Section 7 is effective on approval by the Canosia town board and compliance with Minnesota Statutes, section 645.021."

Delete the title and insert:

"A bill for an act relating to liquor; clarifying license eligibility; changing the time of sale on certain holidays; allowing for the dispensing of samples of malt liquor; repealing bond requirement for retail licensees; authorizing the town board of Canosia township to issue an off-sale license; amending Minnesota Statutes 1988, sections 340A.402; 340A.405, subdivision 1; 340A.504, subdivisions 2, 3, and 4; and 340A.510; repealing Minnesota Statutes 1988, section 340A.412, subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 534, A bill for an act relating to groundwater; establishing best management practices and water resources protection requirements; regulating pollution limits; changing various requirements and procedures concerning fertilizer, soil amendments, and plant amendments; requiring a study of sustainable agriculture; changing certain pesticide laws; requiring a pesticide management plan; providing for responses to pesticide and fertilizer incidents; establishing a safe drinking water account; imposing an annual fee; reorganizing and revising laws on water wells, exploratory boring, and elevator shafts; establishing a water information committee; providing for local water resources protection and management; establishing water appropriation priorities; establishing a legislative commission on water; appropriating money; amending Minnesota Statutes 1988, sections 17.713; 17.714, subdivisions 1, 3, 6, and by adding a subdivision; 17.715, subdivisions 1, 4, and by adding subdivisions; 17.7155; 17.716, subdivisions 1 and 2; 17.717; 17.718; 17.719, subdivisions 1, 2, 3, 4, and by adding subdivisions; 17.721, by adding a subdivision; 17.723; 17.725, subdivision 2, and by adding subdivisions; 17.728, by adding subdivisions; 17.7285; 17.73, subdivision 3; 18B.01, subdivisions 5, 12, 15, 19, 21, 23, 26, 30, 31, and by adding subdivisions; 18B.03, by adding a subdivision; 18B.04; 18B.07, subdivisions 2, 3, 4, 5, 6, and 7; 18B.08, subdivisions 1, 3, and 4; 18B.15; 18B.17, subdivision 2; 18B.18; 18B.20, by adding a subdivision; 18B.21; 18B.26, subdivisions 1, 3, 5, and by adding a subdivision; 18B.31, subdivisions 3 and 5; 18B.32, subdivision 2; 18B.33, subdivisions 1, 3, and 7; 18B.34, subdivisions 1, 2, and 5; 18B.36; 18B.37, subdivisions 1, 2, 3, and 4; 105.41, subdivision 1a; 105.418; 115.093, subdivision 5; 116C.40, by adding subdivisions; 116C.41, subdivision 1; 116E.03, subdivision 9; 156A.01; 156A.02; 156A.03; 156A.05; 156A.06; 156A.071; 156A.075; 156A.08; and 326.37; proposing coding for new law as Minnesota Statutes, chapters 110C and 115D; proposing coding for new law in Minnesota Statutes, chapters 3; 17; 18B; 105; 115; 116C; 116E; 144; and 156A; repealing Minnesota Statutes 1988, sections 17.714, subdivisions 4, 4a, and 4b; 17.721; 17.726; 17.727; 17.728, subdivisions 4 and 5; 17.729; 17.73, subdivision 5, paragraph (d); 18B.16; 18B.19; 18B.20, subdivision 6; 156A.02, subdivision 3; 156A.031; 156A.04; 156A.07; 156A.10; and 156A.11.

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

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 540, A bill for an act relating to community development; providing for a community resources program for cities of the first

class; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 466A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [466A.01] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in this section apply to sections 1 to 6.

Subd. 2. [ASSISTED HOUSING.] "Assisted housing" means any property used for residential housing that is:

(1) either owned or is under the direct management and control of a housing agency, and is used in a manner authorized and contemplated by sections 469.001 to 469.047;

(2) defined as emergency shelter under section 272.02, clause (12);

(3) transitional housing as defined in section 272.02, clause (19);

(4) classified as class 4c property under section 273.13, subdivision 25, paragraph (c), clause (4);

(5) a qualified low income building that (i) receives a low-income housing credit under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1987; or (ii) meets the requirements of that section and construction or rehabilitation of which began prior to May 1, 1988; or

(6) otherwise owned or operated by a governmental unit or nonprofit organization.

Subd. 3. [CITY.] "City" means a city of the first class as defined in section 410.01.

Subd. 4. [CITY COUNCIL.] "City council" means the city council of a city as defined in subdivision 3.

Subd. 5. [COMMISSIONER.] "Commissioner" means the commissioner of state planning.

Subd. 6. [COMMUNITY.] "Community" means all or part of a targeted neighborhood.

Subd. 7. [COMMUNITY RESOURCE MONEY.] "Community resource money" means the money designated in the community

resources program to be used to implement the community resource program.

Subd. 8. [COMMUNITY RESOURCES PROGRAM.] "Community resources program" or "program" means a community resources program adopted according to section 3.

Subd. 9. [COMMUNITY RESOURCES SERVICES.] "Community resources services" means programs, activities, and services intended to meet the objectives stated in section 3, subdivision 2. Programs, activities, and services may include:

(1) community planning and organizing efforts;

(2) employment and training services programs defined in section 256.736, subdivision 1a, clause (d);

(3) services to residents of assisted housing;

(4) services to stabilize neighborhoods; or

(5) services to families and individuals intended to stabilize families and individuals or provide assistance for family needs including services to improve the educational achievement and development of minor family members;

(6) child care services;

(7) personal and family counseling;

(8) health services;

(9) parenting skills;

(10) chemical dependency, counseling and treatment services;

(11) crime prevention services;

(12) services for victims of crime;

(13) security services for assisted housing;

(14) independent living services;

(15) residential safe houses for teenage youth;

(16) recreational alternatives for youth;

(17) programs to facilitate cultural identity and cross cultural understanding; and

(18) efforts to facilitate the deconcentration of residential facilities licensed by the departments of health, human services, and corrections.

Subd. 10. [COUNTY BOARD.] "County board" means the board of county commissioners of a county containing a city.

Subd. 11. [SCHOOL BOARD.] "School board" means the school board of an independent school district or special school district having a student enrollment of 10,500 or more located wholly or partially within a city.

Subd. 12. [TARGETED NEIGHBORHOOD.] "Targeted neighborhood" means an area including one or more census tracts as determined and measured by the Bureau of Census of the United States Department of Commerce that a city council determines by resolution meets the criteria of section 2, subdivision 2, and any additional area designated under section 2.

Sec. 2. [466A.02] [DESIGNATION OF TARGETED NEIGHBORHOODS.]

Subdivision 1. [CITY AUTHORITY.] A city may by resolution designate targeted neighborhoods within its borders after adopting detailed findings that the designated neighborhoods meet the eligibility requirements in subdivision 2 or 3.

Subd. 2. [ELIGIBILITY REQUIREMENTS FOR TARGETED NEIGHBORHOODS.] An area within a city is eligible for designation as a targeted neighborhood if the area meets at least two of the following three criteria:

(a) The area had an unemployment rate that was twice the unemployment rate for the Minneapolis and Saint Paul standard metropolitan statistical area as determined by the 1980 federal decennial census.

(b) The median household income in the area was no more than half the median household income for the Minneapolis and Saint Paul standard metropolitan statistical area as determined by the 1980 federal decennial census.

(c) The area is characterized by residential dwelling units in need of substantial rehabilitation. An area qualifies under this clause if 25 percent or more of the residential dwelling units are in substandard condition as determined by the city or 70 percent or more of the

residential dwelling units in the area were built before 1940 as determined by the 1980 federal decennial census.

Subd. 3. [ADDITIONAL AREA ELIGIBLE FOR INCLUSION IN TARGETED NEIGHBORHOOD.] (a) The city may add to the area designated as a targeted neighborhood under subdivision 2 additional area extending up to four contiguous city blocks in all directions from the designated targeted neighborhood. For the purpose of this subdivision, "city block" has the meaning determined by the city.

(b) The city may add to the area designated as a targeted neighborhood under subdivision 2 an additional area in a contiguous census tract to the targeted neighborhood provided that the city council first finds that the additional area meets at least two of the three criteria of subdivision 2.

Sec. 3. [466A.03] [COMMUNITY RESOURCES PROGRAM.]

Subdivision 1. [COMMUNITY RESOURCES PROGRAM; REQUIREMENT.] A city must prepare an annual comprehensive community resources program that is consistent with the recommendations of targeted neighborhood residents and organizations serving or representing these residents. The program must describe the specific community resource services and means by which the community intends to pursue and implement the program objectives outlined in subdivision 2 for each targeted neighborhood served under the program.

Subd. 2. [COMMUNITY RESOURCES PROGRAM OBJECTIVES.] A community resources program must address the following objectives:

(a) Establish means for stabilizing families so family members can become more functional as a family unit and as members of the community. This objective addresses family stabilization by insuring that children attend and adequately participate in schools providing elementary and secondary education, strengthening the family unit through counseling and other services, and increasing the family unit's health through nutrition, parenting skills, health assessment, drug abuse programs, and other services.

(b) Provide opportunities for families and individuals that lead to greater self-sufficiency through improved housing, health, environment, education, job training, employment, and independent living.

(c) Establish the community as a safer environment by finding the means to reduce crime and the fear of crime in the community and other parts of the city.

(d) Establish means to stabilize the neighborhood or community by building the capacity of the community's neighborhood-based organizations and institutions to build cohesiveness through planning and organizing residents, to provide or ensure the provision of necessary services, and to meet the other program objectives.

Subd. 3. [COMMUNITY RESOURCES PROGRAM; CONTENTS.]

(a) The community resources program must include the following information:

(1) the means to identify families and individuals who need community resources services so that the program objectives identified in subdivision 2 can be met;

(2) the specific activities, programs, or means by which the city intends to pursue and implement the objectives in subdivision 2;

(3) a statement of the intended outcomes to be achieved by implementing the community resources program;

(4) the method to measure the outcomes to be achieved by implementing the community resources program, how the outcomes will be measured both qualitatively and quantitatively, and the estimated time over which they will occur;

(5) identification of the targeted neighborhoods, assisted housing, and other parts of the city that will receive community resources services;

(6) a detailed statement of how the community resources services will be coordinated with similar services being offered by the city, county, school district, state, and other providers;

(7) a description of the process used and the staff services provided to ensure the required community or neighborhood participation in the preparation of the program; and

(8) a budget that identifies the financial resources necessary to implement the community resources program. The budget must include the following items: (i) the estimated total cost to implement the community resources program; (ii) the estimated cost to implement each activity in the community resources program identified in clause (2); and (iii) the estimated amount of financial resources that will be available from all sources other than from the appropriation available under section 7 to implement the community resources program, including the amount of private funding to be made available to assist in funding the community resources program.

(b) The information required to be in the program under this

subdivision must be specific to a targeted neighborhood to the greatest extent possible. If information is not specific to a targeted neighborhood that is to receive assistance under the program, the program must include a statement explaining the reason.

Subd. 4. [COMMUNITY PARTICIPATION.] (a) Each city must adopt a process to involve the residents of targeted neighborhoods and assisted housing in planning, developing, and implementing the program. As part of this process, the city must ensure that this community-based process has sufficient resources to assist in the development of the program.

(b) Beginning with the program for 1991, each targeted neighborhood or group of targeted neighborhoods must have a strategic planning group whose members include residents of the targeted neighborhood, representatives of community resources service providers in the neighborhood, and representatives of institutions in the neighborhood. The group must, as part of its responsibilities, develop a strategic plan for the neighborhood. This strategic plan must include the elements that the planning group recommends as part of the community resources program. The strategic plan must also address how the targeted neighborhood portions of the comprehensive revitalization and financing program will be integrated with the elements that are recommended to be included as part of the community resources program.

(c) The city must ensure that the strategic planning group required under paragraph (b) is established. An existing group or organization that reflects the required membership under paragraph (b) may be designated as the strategic planning group. The city may provide financial and staff resources to ensure the establishment of the strategic planning groups. The city may use part of the money received for the community resources program from the state to assist in the establishment of the targeted neighborhood strategic planning groups.

(d) As part of the process for the development of the community resources plan, each targeted neighborhood strategic planning group must submit recommendations for the community resources program to the city and the advisory board established under subdivision 5. The recommendations must include the specific neighborhood services and other means to meet the objectives outlined in subdivision 2.

Subd. 5. [COMMUNITY RESOURCES PROGRAM ADVISORY BOARD.] Each city must establish a community resources program advisory board to assist the city in developing and implementing the community resources program. The advisory board must consist of at least two representatives of the city council appointed by the city council, one or more representatives of the county board appointed by the county board, one or more representatives of the school board

appointed by the school board, and representatives of the targeted neighborhoods. The representatives of the targeted neighborhoods must represent a majority of the membership of the advisory board and reflect the geographic, cultural, racial, and ethnic diversity of the targeted neighborhoods. The city may determine the size of the advisory board and may designate an existing entity as the advisory board if the entity meets the membership requirements outlined in this subdivision.

Subd. 6. [DEVELOPMENT OF COMMUNITY RESOURCES PROGRAM.] (a) The advisory board must work closely with city staff in developing and drafting the community resources program. The advisory board must be involved in assessing needs, prioritizing funds, and developing criteria for evaluating program proposals. In developing the program, the advisory board must give priority to the recommendations made by the targeted neighborhood strategic planning groups. In addition, the community resources program must give priority to proposals or recommendations which (i) will create jobs for targeted neighborhood residents at living wages, and (ii) document efforts to create and maintain jobs for targeted neighborhood residents.

(b) The advisory board must conduct a public hearing and secure input from residents of targeted neighborhoods, governmental units affected by the program, and other organizations and persons.

(c) The advisory board may make any changes to the program resulting from testimony given at the public hearing. The advisory board must formally recommend to the city council a proposed community resources program.

(d) The advisory board will meet quarterly after recommending the program to the city council to monitor and review the programs, initiatives, and other activities that have been funded with community resource money.

Subd. 7. [REVIEW BY AFFECTED GOVERNMENTAL UNITS.] The city must develop a process to consult with affected governmental units including the state, county, and school districts. These affected governmental units may provide technical and informational assistance to the city and advisory board to ensure that the community resources services that are included in the program are coordinated with services provided by other governmental units and do not unnecessarily duplicate any existing services. The process must also include a comment period for the county board, school board, and commissioner to review a draft program and to provide comments to the city. If the county board, school board, or commissioner have comments, they must respond to the city in writing within 30 days. The city must respond to comments received from the county board and school board in writing before the city adopts the program.

Subd. 8. [CITY APPROVAL.] The city council must hold a public hearing before submitting the program to the commissioner for approval. Notice of the hearing must be provided in a newspaper of general circulation in the city and in the targeted neighborhood not less than ten days nor more than 30 days before the date of the hearing. In addition, to the maximum extent possible, notice shall be published in the most widely circulated community newspaper in the targeted neighborhoods.

Subd. 9. [REVIEW AND APPROVAL BY COMMISSIONER.] (a) Before the city adopts a community resources program, the commissioner must approve the program.

(b) The commissioner must establish an advisory panel to assist the commissioner in reviewing the programs. The panel must consist of the commissioner; the commissioners of human services, health, jobs and training, Minnesota housing finance agency, and public safety; one representative of each of the cities that have submitted a program appointed by the appropriate city council; and two members of the public appointed by the commissioner.

(c) The advisory panel must review each city's community resources program to determine if the process, including any information required to be in the program objectives, meets the requirements of subdivisions 4 to 8. The panel will also review the program to insure that there is not unnecessary duplication of services already provided in the targeted neighborhood.

(d) The commissioner must notify the city in writing within 30 days after receiving the program of a preliminary decision on the approval of the program and any recommendations of the commissioner for modification of the program. The commissioner must specify in writing the reasons for each recommendation for modification of the program. If the commissioner has no recommendations for the program's modification, the commissioner must approve the program. The commissioner may not disapprove any part of the program unless the commissioner determines that (1) the process, including any information required to be in the program, by which that part of the program was developed, does not meet the requirements of subdivisions 4 to 8, (2) the program is inconsistent with program objectives, or (3) the program results in unnecessary duplication of services already provided in the targeted neighborhood. If modifications to the program are recommended by the commissioner, the city must modify the program and resubmit it to the commissioner within 30 days for approval.

(e) If the city does not accept all of the commissioner's recommendations, the city must notify the commissioner in writing within 15 days after receiving the commissioner's recommendations. The city must specify in writing the reasons for not accepting the commissioner's recommendations.

(f) The commissioner must notify the city, within ten days after receiving the city's decision, of the commissioner's approval or disapproval of specific programs, projects, or elements of the program. State funding may only be released to the city for those programs, projects, or elements given final approval by the commissioner.

Subd. 10. [PROGRAM CERTIFICATION.] The city council may only adopt those programs, projects, or elements of the community resources program that the commissioner has approved. A certification by the city that a community resources program has been approved by the city council must be provided to the commissioner together with a copy of the program. A copy of the program must also be provided to the county board and school board.

Subd. 11. [COMMUNITY RESOURCES PROGRAM MODIFICATION.] The community resources program may be modified at any time by the city council after review by the community resources advisory board and a public hearing. Notice of the public hearing must be published in a newspaper of general circulation in the city not less than ten days nor more than 30 days before the date of the hearing. In addition, to the maximum extent possible, notice shall be published in the most widely circulated community newspaper in the targeted neighborhoods. If the city council or advisory board determines that the proposed modification is a significant modification to the program originally certified under subdivision 10, it must implement the community resources program approval and certification process of subdivisions 5 to 10 for the proposed modification.

Sec. 4. [466A.04] [CITY POWERS.]

Subdivision 1. [GENERAL POWERS.] A city may exercise any of its corporate powers in implementing the community resources program.

Subd. 2. [GRANTS AND LOANS.] In addition to the authority granted by other law, a city, through a request for proposal process, may make grants, loans, and other forms of assistance to, and enter into service contracts with, individuals, for profit and nonprofit corporations, and other organizations to implement a community resources program. The contracts entered into by the city under this subdivision must contain terms concerning use of money, repayment, and other conditions the city deems proper to implement a community resources program.

Subd. 3. [COMMUNITY INITIATIVES PROGRAM.] A city may establish a community initiatives program as part of the community resources program. At least ten percent of the community resource money must be distributed to organizations under the community initiatives program. A community initiatives program, in addition to the authority granted by other law, authorizes a city to set aside

funds and to develop a process to request proposals for the purpose of making grants, loans, and other forms of assistance to, or entering into service contracts with, nonprofit organizations, including neighborhood organizations, representing community residents. The organizations may also represent residents from a contiguous neighborhood. Financial assistance or service contracts awarded under this subdivision are limited to \$25,000 to any one organization in any one year. State money used for the community initiatives program must be used for implementing activities included in the community resources program. The contracts entered into by the city with a nonprofit organization under this subdivision must contain terms concerning use of money and other conditions the city deems proper to implement a community initiatives program.

Subd. 4. [ELIGIBLE USES FOR COMMUNITY RESOURCE MONEY.] The city may spend community resource money for any purpose authorized by subdivisions 1 to 3 except that an amount equal to at least 90 percent of the state payment according to section 5 made available to the city must be spent in or for residents in targeted neighborhoods or assisted housing. Use of community resources money must be authorized in a community resources program. If a resident of a targeted neighborhood or assisted housing is a recipient of community resource services and moves to a residence in (i) another part of the city, (ii) another location in the same county, or (iii) a location in an adjacent county located in the state, eligibility continues for the community resources services.

Sec. 5. [466A.05] [PAYMENT; DRAWDOWN; USES OF STATE MONEY.]

Subdivision 1. [PAYMENT OF STATE MONEY.] Upon receiving from a city the certification that a community resources program has been adopted or modified, the commissioner shall, within 30 days after receiving the certification, pay to the city the amount of state money identified as necessary to implement the community resources program or program modification. State money may be paid to the city only to the extent that the appropriation limit for the city specified in subdivision 2 is not exceeded. Once the state money has been paid to the city, it becomes community resource money for use by the city according to an adopted community resources program and subject to the restrictions on its use in sections 1 to 6.

Subd. 2. [ALLOCATION.] A city may receive a part of the appropriations made available that is the proportion that the population of the city bears to the combined population of the cities. A city may agree to reduce its entitlement amount and to make it available to another city. The population of each city for the purposes of this subdivision is determined according to the most recent estimates available to the commissioner.

Sec. 6. [466A.06] [ANNUAL REPORT.]

A city that begins to implement a community resources program in a calendar year must, by March 1 of the succeeding calendar year, provide a detailed report to the commissioner and legislature on the community resources program or programs being implemented in the city. The report must describe the status of the program implementation and analyze whether the intended outcomes identified in section 3, subdivision 3, paragraph (a), clause (3), are being achieved.

Sec. 7. [APPROPRIATION; DISTRIBUTION.]

\$ is appropriated from the general fund for the biennium ending June 30, 1991, to the commissioner of state planning for payment to the cities as provided in section 5. \$ is for fiscal year 1990 and \$ is for fiscal year 1991.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 6 are effective the day after final enactment."

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 611, A bill for an act relating to insurance; regulating agent licensing; regulating Medicare supplement plans; modifying required levels of coverages; prescribing penalties; amending Minnesota Statutes 1988, sections 60A.17, subdivision 6c, and by adding a subdivision; 62A.31, subdivisions 1 and 2; 62A.41; 62D.104; 62D.121, subdivision 3; 62D.181, subdivision 4; 62E.07; and 62E.14, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 62A; repealing Minnesota Statutes 1988, sections 62A.32; 62A.33; 62A.34; 62A.35; and Minnesota Rules, part 2795.0900.

Reported the same back with the following amendments:

Page 8, line 2, after the period insert "The commissioner may grant a waiver of this restriction on commissions when the commissioner believes that the insurer's fee structure does not encourage deceptive practices."

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 625, A bill for an act relating to education; expanding the milk in the schools program; appropriating money; amending Minnesota Statutes 1988, section 124.648.

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

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 631, A bill for an act relating to economic development; requiring a job impact statement of certain government units; providing prefeasibility study grants; requiring the legislative auditor to study economic development and training programs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

JOB IMPACT STATEMENT AND PREFEASIBILITY STUDY

Section 1. [PURPOSE.]

A public financing role in economic development is justified for two reasons: to create or retain jobs, and to increase the tax base. Therefore it is important to support development that provides employment growth and good wages and benefits, and to encourage and support labor market stability and long-term business presence in communities. It is also important to communities and their residents to protect existing jobs and assure that actions taken by employers and government units do not lead to the temporary or permanent displacement of existing jobs through plant closings or dislocation. The purpose of the jobs impact statement is to require government units that plan to provide financial assistance for new commercial or industrial development, or plan to undertake the development themselves, to examine the potential effects of the development and to discuss them publicly. It is also important to monitor development to ensure public accountability by measuring how accurate the information from the job impact statement proved to be.

Sec. 2. [268.452] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] For the purposes of sections 2 to 5, the following terms have the meanings given them.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of jobs and training.

Subd. 3. [DEVELOPMENT.] "Development" means a multiunit rental property, or commercial or industrial project that in some way benefits from a governmental action or a project developed by a government unit, which will result or could potentially result in the displacement of jobs or which the parties involved claim to retain jobs or increase the number of jobs.

Subd. 4. [DISPLACEMENT.] "Displacement" means the loss of employment by an individual resulting from a governmental action. An individual is not displaced if the employment loss at the site is the result of the relocation or consolidation of part or all of the employer's operations, and prior to the closing the government unit documents that: (1) the employer offers to transfer the individual to a different site of employment within a reasonable commuting distance, or (2) the employer's operations are relocated to a site within a reasonable commuting distance.

Subd. 5. [GOVERNMENTAL ACTION.] "Governmental action" means an effort made by a government unit to undertake, encourage, or promote development; or significantly restructure the administration or delivery of government services which could potentially result in a loss of jobs. These efforts include, but are not limited to, developments financed or administered directly by a government unit; a reduction in property taxes to encourage the development and financial assistance through loans, loan guarantees, interest subsidies, tax increment financing, tax-exempt financing, grants, or other financing tools utilized by a government unit to encourage development.

Subd. 6. [GOVERNMENT UNIT.] "Government unit" means any state agency defined in section 16A.011, subdivision 2, the greater Minnesota corporation, metropolitan agency defined in section 473.121, subdivision 5a, University of Minnesota, statutory or home rule charter city, county, town, watershed district organized under chapter 112, or local economic development agency. Local economic development agencies include all entities or agencies authorized, organized, or created under chapter 469; and all port authorities created by special law.

Subd. 7. [JOB IMPACT STATEMENT; STATEMENT.] "Job impact statement" or "statement" means the detailed job impact statement required under section 3.

Subd. 8. [RETAIN.] "Retain" means that without the governmental action, the job could not be continued.

Sec. 3. [268.453] [JOB IMPACT STATEMENT.]

Subdivision 1. [JOB IMPACT STATEMENT REQUIREMENT.] When it is determined by the government unit that a governmental action or development will result or could potentially result in the displacement of jobs or the parties involved in the development or governmental action claim it will retain or increase the number of jobs, the government unit that is responsible for the governmental action must prepare a job impact statement before initiating the governmental action. If the responsible government unit does not prepare a statement, a person, community group, labor organization, or other organization may appeal to the commissioner to require the responsible government unit to prepare a statement. The commissioner must determine within ten working days if a statement is required; and if a statement is required, the commissioner shall require the responsible government unit to prepare a statement. No job impact statement will be required if a government unit informs the commissioner that the governmental action under appeal is the result of a budgeting decision and the government unit has determined that the governmental action will not result in a significant restructuring of the administration or delivery of government services. When there is more than one government unit responsible for governmental actions affecting a specific development, the units involved must agree which unit is responsible for preparing the statement. This government unit may request information from all government units involved in the development.

Subd. 2. [JOB IMPACT STATEMENT CONTENTS.] (a) A job impact statement required under subdivision 1 must include the following information:

(1) number and types of permanent jobs that will be displaced, retained, or created as a result of the development;

(2) wage rates and benefits of the permanent jobs that will be displaced, retained, or created; and

(3) the total financial assistance provided by government units to the development.

(b) In addition to the information required under paragraph (a), the following information must be included in the job impact statement when there has been or potentially could be a displacement of jobs as a result of a governmental action or development:

(1) description of the demographic characteristics of the work force that could be displaced;

(2) description of skill levels and educational needs of the jobs that could be displaced;

(3) discussion of the likelihood of workers that may be displaced by the development of finding new jobs with comparable pay and benefits;

(4) past experience of parties involved in the development of meeting employment projections for other developments; and

(5) identification, if any, of alternatives to mitigate the job displacement due to the governmental action or development.

In preparing the information required under this subdivision, the commissioner must assist the government unit if so requested by the unit.

Subd. 3. [PUBLIC COMMENT.] The government unit must distribute the job impact statement to labor unions or other employee representatives that might be affected by the governmental action, community-based organizations that have expressed an interest in the development, and other persons or organizations that request a copy of the job impact statement. In addition, the job impact statement must be posted at the employment site where workers may be displaced as a result of the governmental action.

After the completion and distribution of the job impact statement, a public hearing must be held but only when the governmental action may or will result in the displacement of jobs. The appropriate governing board or senior official of the government unit must hold the public hearing on the completed statement prior to the government unit's approval of any development that receives or benefits from a governmental action. Notice of the public hearing must be provided in a newspaper of general circulation not less than ten days nor more than 30 days before the date of the hearing.

Subd. 4. [STATEMENT SUBMITTED TO COMMISSIONER; ANNUAL REPORT.] After the public meeting required under subdivision 3 and after any changes have been made as a result of testimony at the public hearing, the government unit must submit the statement to the commissioner. The commissioner must prepare and submit a report to the governor and legislature by February 1 of each year that compiles and summarizes the results of the individual statements and the monitoring reports required in section 5 submitted to the commissioner in the previous year. The annual report must also contain the commissioner's assessment of the overall process of preparing the statements and any recommendations the commissioner may have in improving the process.

If the statement finds that workers will be displaced or if the actual development or governmental action results in the displacement of existing workers, the government unit responsible for the governmental action must initiate and coordinate efforts with employers, developers, service providers, and other appropriate parties to attempt to secure necessary benefits for the displaced workers. The government unit must assess which of the following benefits are required by the displaced workers and must initiate and coordinate efforts to attempt to provide the required benefits. These benefits must include:

- (1) retraining and education expenses;
- (2) relocation expenses;
- (3) health insurance expenses;
- (4) supplemental unemployment insurance payments;
- (5) child care expenses when the displaced worker is enrolled in education or retraining; and
- (6) emergency expenses for shelter, clothing, and food.

The government unit must work with employment and training services providers, other government units, community organizations, labor organizations, and other organizations in efforts to administer and deliver these benefits. The government unit may contribute to but is not financially obligated for the benefits listed in clauses (1) to (6) and other benefits provided to dislocated workers under this section, but is obligated for the costs of the initiation and coordination responsibilities required of the government unit under this subdivision. The government unit may participate in providing these benefits.

Sec. 5. [268.455] [MONITORING.]

Each government unit must submit an annual report by February 1 of each year. The purpose of the report is to summarize all job impact statements completed during the previous year which will provide public accountability of governmental action. An explanation of any significant changes in actual employment and wage information compared to the jobs impact statement prepared for that development or governmental action in any of the three previous years must be included in the report.

Sec. 6. [268.461] [PURPOSE; PREFEASIBILITY STUDY GRANTS.]

Plant closings cause significant hardship in the communities in

which they occur. In some cases, the plant closings can be avoided when a new product is produced, a new owner is identified, state assistance is provided, or through employee ownership. Due to the short amount of time available and the lack of financial resources, the alternatives to plant closings cannot be fully explored. It is the purpose of the prefeasibility study grants to provide the financial resources for an initial assessment of the options to plant closings.

Sec. 7. [268.462] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 6 to 9.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of jobs and training.

Subd. 3. [ELIGIBLE ORGANIZATION.] "Eligible organization" means a city, county, town, nonprofit organization, community action agency, or labor or business organization that has applied for a prefeasibility grant under section 8.

Subd. 4. [PREFEASIBILITY STUDY GRANT; GRANT.] "Prefeasibility study grant" or "grant" means the grant awarded under section 8.

Subd. 5. [PLANT CLOSING; CLOSING.] "Plant closing" or "closing" means the announced, threatened, or actual permanent termination of operations at a publicly or privately owned establishment or the announced, threatened, or actual permanent termination of 25 percent of the total jobs at the establishment.

Sec. 8. [268.463] [PREFEASIBILITY STUDIES.]

Subdivision 1. [PREFEASIBILITY STUDY GRANTS.] The commissioner may make grants for up to \$10,000 to eligible organizations to provide an initial assessment of the feasibility of alternatives to plant closings. The alternatives may include employee ownership, other new ownership, new product or production process, or public assistance to keep a plant open. Two or more eligible organizations may jointly apply for a grant under this section.

Interested organizations shall apply to the commissioner for the grants. Applicants shall provide as part of the application process a statement of need for a grant, information relating to the workforce at the plant, the area's unemployment rate, the community's and surrounding area's labor market characteristics, information of efforts to coordinate the community's response to the plant closing, a timetable of the prefeasibility study, a description of the organization applying for the grant, a description of the qualifications of

persons conducting the study, and other information required by the commissioner.

The commissioner shall respond to the applicant within five working days of receiving the organization's application. The commissioner must inform each organization that applied for but did not receive a grant the reasons for the grant not being awarded. The commissioner may request further information from those organizations that did not receive a grant, and the organization may reapply for the grant.

Subd. 2. [PREFEASIBILITY STUDY.] The prefeasibility study must explore the current and potential viability, profitability, and productivity of the establishment that may close and alternative uses for the establishment. The study is not to be a major examination of each possible alternative but is meant to quickly determine if further action or examination is possible or feasible. The prefeasibility study must contain:

(1) a description of the establishment's present products, production techniques, management structure, and history;

(2) a brief discussion of the feasibility of the various alternatives for ownership, production technique, and products;

(3) an estimate of the financing required to keep the establishment open and the potential sources of that financing;

(4) a description of the employer's, employees', and community's efforts to maintain the operation of the establishment;

(5) evidence of good faith efforts to demonstrate cooperation among labor, business, and affected community organizations to develop alternatives; and

(6) other information the commissioner may require.

Subd. 3. [RULEMAKING AUTHORITY.] The commissioner may adopt emergency or permanent rules subject to chapter 14 to carry out the purposes of this section.

Sec. 9. [268.464] [REPORTS.]

Subdivision 1. [MONTHLY REPORT.] The commissioner shall report monthly to the program subcommittee of the governor's job training council on the grants made and studies completed during the previous month.

Subd. 2. [ANNUAL REPORT.] The commissioner must provide an annual report to the governor, legislature, and the governor's job

training council on the administration of the prefeasibility study grant program. The report must also include details of actions taken as a result of a grant.

Sec. 10. [APPROPRIATION.]

Subdivision 1. [IMPACT STATEMENT.] \$ is appropriated from the general fund for the biennium ending June 20, 1991, to the commissioner of jobs and training to prepare the job impact statement required under section 3.

Subd. 2. [PREFEASIBILITY STUDY GRANTS.] \$ is appropriated from the general fund for the biennium ending June 20, 1991, to the commissioner of jobs and training for the prefeasibility study grants under section 8.

ARTICLE 2

COMMUNITY AND EMPLOYEE BENEFIT PAYMENTS AS A
RESULT OF PLANT CLOSINGS

Section 1. [268.981] [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of sections 1 to 9, the following terms have the meanings given them.

Subd. 2. [ACQUISITION.] "Acquisition" means a transaction where a person assumes control of a business entity either by (1) acquiring through the purchase or transfer of the stock and assets of another business entity, or (2) merging with another business entity. Acquisition includes mergers, corporate takeovers, and leveraged buyouts.

Subd. 3. [AFFECTED EMPLOYEE.] "Affected employee" means a worker laid off by an employer because of a plant closing or mass layoff.

Subd. 4. [CITY.] "City" means a home rule charter or statutory city.

Subd. 5. [COMMISSIONER.] "Commissioner" means the commissioner of jobs and training.

Subd. 6. [COMMUNITY RESPONSE COMMITTEE.] "Community response committee" or "committee" is the community response committee established under section 2.

Subd. 7. [CONTROL.] "Control" means: (1) the ownership, direct, indirect, or by acting through one or more other persons, the control

of, or the power to vote 25 percent or more of, any class of voting securities; (2) control in any manner over the election of a majority of the directors; or (3) the power to exercise, directly or indirectly, a controlling influence over management and policies.

Subd. 8. [EMPLOYER.] "Employer" means the person who, as a result of a merger, leveraged buyout, corporate takeover, or other acquisition, owns or operates an establishment within this state where the employment is (1) 25 or more employees, excluding part-time employees, or (2) 25 or more employees who in the aggregate work at least 1,000 hours per week exclusive of hours of overtime. Employer does not include a unit of government or an organization that is exempt from taxation under section 501 of the Internal Revenue Code of 1986, as amended through December 31, 1988.

Subd. 9. [ESTABLISHMENT.] "Establishment" means a single site of employment or one or more facilities or operating units within a single site of employment owned by an employer.

Subd. 10. [MASS LAYOFF.] "Mass layoff" means a reduction in the work force at an establishment, within three years of an acquisition by an employer, that:

(1) is not the result of a plant closing; and

(2) results in an employment loss at the single site of employment or an establishment during any 30-day period for at least:

(i) 25 percent of the employees, excluding any part-time employees, and at least 25 employees, excluding any part-time employees; or

(ii) 50 employees, excluding any part-time employees.

Subd. 11. [PART-TIME EMPLOYEE.] "Part-time employee" means an employee who is employed for an average of fewer than 20 hours per week in the three months preceding the date of plant closing or mass layoff or an employee who has been employed for fewer than six of the 12 months preceding the date of the plant closing or mass layoff.

Subd. 12. [PERSON.] "Person" means a natural person, organization, sole proprietorship, public or private corporation, partnership, or other business entity.

Subd. 13. [PLANT CLOSING.] "Plant closing" means the shutdown or termination of operations of an establishment, within three years of an acquisition by an employer, if the shutdown results in an

employment loss at the single site of employment during any 30-day period for 25 or more employees excluding any part-time employees.

Subd. 14. [PUBLIC ASSISTANCE.] "Public assistance" means financial assistance provided to a person by the state, city, county, or town. Financial assistance includes loans, grants, interest subsidies, property acquisition writedowns, tax credits, tax abatements, interest cost savings from tax-exempt bonds and other securities issued on behalf of the employer, wage subsidies provided under this chapter, and utility connections paid by the public entity to the business entity.

Sec. 2. [268.982] [COMMUNITY RESPONSE COMMITTEE.]

A community response committee may be created in each community in which an employer has engaged in a plant closing or mass layoff. The committee must consist of at least 11 members and have representatives of the city or town in which the establishment is located, the appropriate county, employees that were laid off due to the plant closing or mass layoff, and recognized leaders of community groups in the area in which the establishment is located. When the establishment is located within the boundaries of a city, the mayor of that city shall appoint the members of the community response committee. When the establishment is located outside a city's boundaries, the committee shall be appointed by the governing body of the county in which the establishment is located. The committee may elect a chair and officers. Before funds made available under section 3 may be spent or distributed, a committee must be established and the commissioner must certify that the membership meets the requirements of this section.

The committee must:

(1) undertake a needs analysis of the community and the workers laid off because of the plant closing or mass layoff;

(2) distribute the funds made available under section 3 based on the needs analysis required under clause (1);

(3) determine the necessary eligibility criteria required under section 3, subdivisions 4 and 5, for the community service emergency grants and wage subsidies; and

(4) work closely with the commissioner and employment and training service providers in ensuring that services are made available to employees laid off because of a plant closing or mass layoff.

Sec. 3. [268.983] [COMMUNITY SUPPORT RESOURCES.]

Subdivision 1. [EMPLOYER FINANCIAL RESPONSIBILITIES.] An employer that engages in a plant closing or mass layoff within three years after an acquisition must pay the appropriate local unit of government an amount equal to ten percent of the total wages and salaries paid to affected employees of the establishment during the 12 months prior to the plant closing or mass layoff. The payment required under this subdivision is paid to the city when the establishment is located within the boundaries of a city and to the county when the establishment is located outside a city's boundaries. The payment must be made within two weeks of the date of the plant closing or mass layoff. The money collected under this subdivision may only be used for:

- (1) economic development planning grants under subdivision 3;
- (2) community service emergency grants under subdivision 4;
- (3) wage subsidies under subdivision 5; or
- (4) administrative cost reimbursement under subdivision 2.

Subd. 2. [FISCAL AGENT.] The city or county which receives the required payment from an employer under subdivision 1 must act as the fiscal agent for the money and only disburse the money for eligible uses outlined under this section at the direction of the community response committee established under section 2. The city or county shall provide administrative support to the committee. Up to five percent of the money received under subdivision 1 may be used to reimburse the city or county for the administrative support.

Subd. 3. [ECONOMIC DEVELOPMENT PLANNING GRANTS.] The community response committee may award economic development planning grants to government units or other public agencies, nonprofit organizations, for-profit organizations, or other persons to examine the short-term and long-term alternatives for strengthening the economy in the area surrounding the establishment that has experienced the plant closing or mass layoff. The committee shall award grants under this subdivision to public agencies, organizations, or persons that have the qualifications and experience for examining the alternatives. The examination of alternatives must address the following:

- (1) an estimate of the economic effect of the plant closing or mass layoff in terms of direct and indirect jobs lost and, if possible, the reduction in the area's income;
- (2) an estimate of the ability of other employers in the area to absorb in their work force the laid-off workers;

(3) an identification of area businesses that have the potential for expansion and the financial and other resources as well as the worker skills required of such an expansion;

(4) an identification of financial and other incentives that might be required to reopen the establishment under new ownership and management;

(5) a statement of whether the closed establishment can be reopened as an employee-owned establishment;

(6) identify the industries that might be candidates for expansion in the area and the incentives that might be required to encourage their development or location in the area; and

(7) identify the skills required by the laid-off workers to increase their chances of finding employment in the area or other regions of the state.

Subd. 4. [COMMUNITY SERVICE EMERGENCY GRANTS.] The community response committee may provide emergency grants to workers and their families directly affected by the plant closing or mass layoff. The emergency grants may be used for the immediate food, clothing, shelter, transportation, training, and relocation needs of these workers. The committee may contract with a local unit of government, other public agency, community action program, or a nonprofit organization to provide the emergency grants awarded under this subdivision. The committee or organization contracting with the committee shall coordinate their efforts with existing area providers of these emergency needs.

Subd. 5. [WAGE SUBSIDIES.] The community response committee may contract with a certified local service provider defined in section 268.673, subdivision 4a, to provide wage subsidies to workers laid off because of a plant closing or mass layoff. Wage subsidy money under this subdivision must be distributed in the same manner that wage subsidies are used under section 268.677. Wage subsidies under this subdivision must be given to businesses and other employers who have jobs available that offer potential for long-term employment. Business and other employers that receive wage subsidy payments under this subdivision are subject to section 268.681.

Sec. 4. [268.984] [SEVERANCE PAYMENT.]

Subdivision 1. [SEVERANCE PAYMENT.] Each employer owning or operating a facility engaged in a plant closing or mass layoff shall make a severance payment to an affected employee if the affected employee has been employed by the employer for three or more years. The payment may, at the option of the employer, be made

before or at the termination of the affected employee. The severance payment must be equal to the gross weekly wage of the affected employee at the time of termination, multiplied by the number of full and partial years for which the employee has been employed by the employer. For an affected employee whose gross weekly wage has been reduced within one year of a plant closing as a result of a reduction in the average weekly number of hours worked by the employee, the severance payment must be equal to the affected employee's gross weekly wage before the reduction in the average weekly number of hours worked, multiplied by the number of full and partial years for which the employee has been employed by the employer.

Subd. 2. [OTHER PAYMENTS.] Vacation pay, accrued wages, and other types of payments made for a reason other than compensation for termination of employment are not severance payments under subdivision 1.

Sec. 5. [268.985] [HEALTH CARE COVERAGE.]

Each employer who engages in a plant closing or mass layoff and who has had an employer-paid health insurance plan in place within the previous three-year period preceding the date of the plant closing or mass layoff shall pay to each affected employee an amount equal to 12 times the most recent monthly premium paid by the employer on behalf of the employee. The employer is not obligated to make this payment if the employer chooses to continue the health insurance plan for one year after the plant closing or mass layoff, with the employer paying at least the same portion of the premium that the employer paid before the employee was terminated. The employer shall also continue to make the health insurance plan available to each affected employee as required in section 62A.17 or in federal law.

Sec. 6. [268.986] [PRIORITY OF CLAIMS.]

To the extent not otherwise determined by federal law, a money claim on behalf of an affected employee against an employer engaged in a plant closing has priority over all other claims against an employer, except wage and salary claims.

Sec. 7. [268.987] [EMPLOYER APPEAL PROCESS.]

Subdivision 1. [APPEALS PANEL.] The governor shall appoint a seven-member appeals panel consisting of three members representing business interests, three members representing labor interests, and one member representing the general public who acts as chair. At least four of the members must have experience or knowledge of business financing or public accounting. The terms, compensation, expenses, vacancies, and removal of members are as provided in

section 15.0575. The commissioner of jobs and training must provide administrative support to the panel.

The employer may not cause a plant closing or mass layoff until the appeals board has rendered a decision on an appeal by the employer under subdivision 2 or 3. The panel must render its decision within 30 days of the appeal request by an employer. The 30-day limit may be extended if both the employer and the panel agrees to the extension.

The commissioner may contract with a public accounting firm or others to provide technical assistance to the panel. Members of the panel, the commissioner, or any of the persons the panel has contracted with must have access to all the employer's financial records and other related information for the past five years to assist in rendering a decision on an appeal made by an employer under subdivision 2 or 3.

Subd. 2. [APPEAL OF PAYMENT.] An employer may appeal to the appeals panel established under subdivision 1 to reduce or eliminate the payment required under section 3, the severance and health benefit payments required under sections 4 and 5, and the repayments of public assistance required under section 8. The employer must appeal under this subdivision at least 30 days before the date of the plant closing or mass layoff. The employer may appeal under this subdivision only if the employer determines that the plant closing or mass layoff is likely to be due to one or more of the following:

(1) a natural disaster including, but not limited to, a flood, damage or destruction due to weather, earthquakes, or drought;

(2) a decrease in sales of the employer resulting from economic or market factors that directly affect the demand for the products produced or provided at the establishment; or

(3) the plant closing or mass layoff was required to prevent the acquired business entity from becoming insolvent.

The employer must establish by a preponderance of the evidence that the plant closing or mass layoff was due to one of the reasons outlined in clause (1), (2), or (3), and not because of the financial needs of the employer to pay for debt incurred because of an acquisition or because of a reorganization or duplication of the operations of the employer.

Subd. 3. [APPEAL OF REPAYMENT OF PUBLIC ASSISTANCE.] The employer may appeal the amount of public assistance the employer must pay back under section 8. The panel must render its decision within 30 days of the appeals request of the employer.

The commissioner may contract with public accounting firms or others to provide technical assistance to the panel in determining the correct amount of the repayment.

Sec. 8. [268.988] [REPAYMENT OF PUBLIC ASSISTANCE.]

An employer who causes a plant closing or mass layoff shall pay back or reimburse an amount equal to the amount of public assistance which it or the acquired business entity has received in the past five-year period from a government unit. The amount of public assistance to be repaid under this section equals the sum of the following:

(1) the reduction in the employer's capital expenditures at the establishment as a result of the public assistance including, but not limited to, assistance in acquiring land, buildings, and equipment;

(2) the reduction of the employer's financing costs at the establishment including, but not limited to, savings in interest costs resulting from tax exempt financing;

(3) the reduction in the employer's taxes on the operations at the establishment; and

(4) the reduction in the employer's operating costs at the establishment as the result of other assistance besides tax reductions or abatements.

The amount of public assistance to be repaid that is calculated in clauses (1) to (4) must be adjusted to reflect any amounts that have been recaptured or the employer has been required to repay under the provisions of another law or contractual agreement. The public assistance required to be repaid under this section must be made to the government unit authorizing or enabling the employer to receive the public assistance, regardless of whether the cost or reduction in revenues was borne by another government unit. The employer may appeal the payment amount to the appeals panel established in section 7. The government unit that the public assistance is to be repaid to under this section may enter into an agreement with the recipient of public assistance for the repayment or reimbursement of the public assistance and the time of the repayment.

Sec. 9. [268.989] [NOTIFICATION OF INTENTIONS.]

An employer must provide notice to the commissioner of jobs and training and the home rule or statutory city or county, in which an establishment which the employer has acquired is located, of what the employer's intentions are relating to that specific establishment for the three-year period following the acquisition. The notice must

state that the employer plans to cause a plant closing or mass layoff at the establishment if, at the time of the acquisition, the employer has determined that these actions will take place in the three-year period following acquisition. The notice must be provided within two months of the date of acquisition.

Sec. 10. [APPROPRIATION.]

\$ is appropriated from the general fund for the biennium ending June 30, 1991, to the commissioner of jobs and training for the appeals panel established under section 7.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 10 are effective the day following final enactment."

Amend the title as follows:

Page 1, delete line 5

Page 1, line 6, delete "training programs;" and insert "employer who engages in a plant closing or mass layoff to pay community benefits, severance pay, and health benefits; establishing a community response committee; requiring repayment of certain financial assistance to businesses;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

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

H. F. No. 653, A bill for an act relating to waters and watercraft safety; changing certain registration fees; amending Minnesota Statutes 1988, section 361.03, subdivision 3.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1988, section 97A.055, is amended by adding a subdivision to read:

Subd. 3. [GAME AND FISH FUND FEES.] To reduce yearly fluctuations of the game and fish fund balance and to provide improved long-range planning of the fund, the policy of the state is

to make fee adjustments biennially as part of the budget process. Agency responsibilities are:

(a) The commissioner of natural resources must make specific requests for fee adjustments for all receipt items in the game and fish fund as a part of the biennial fee report.

(b) The commissioner of finance must review the biennial fee report and make recommendations for each fee. The commissioner of finance must submit a six-year projection on revenues and expenditures to be submitted to the legislature with the biennial budget.

Sec. 2. Minnesota Statutes 1988, section 97A.485, subdivision 6, is amended to read:

Subd. 6. [LICENSES TO BE SOLD AND ISSUING FEES.] (a) Persons authorized to sell licenses under this section must sell the following licenses for the license fee and the following issuing fees:

(1) to take deer or bear with firearms and by archery, the issuing fee is \$1;

(2) Minnesota sporting, the issuing fee is \$1; and

(3) to take small game, for a person under age 65 to take fish by angling or for a person of any age to take fish by spearing, and to trap fur-bearing animals, the issuing fee is \$1;

(4) for a trout and salmon stamp that is not issued simultaneously with an angling or sporting license, an issuing fee of 50 cents may be charged at the discretion of the authorized seller; and

(5) for stamps other than a trout and salmon stamp, there is no fee.

(b) An issuing fee may not be collected for issuance of a trout and salmon stamp if a stamp is issued simultaneously with the related angling or sporting license. Only one issuing fee may be collected when selling more than one trout and salmon stamp in the same transaction after the end of the season for which the stamp was issued.

(c) The auditor or subagent shall keep the issuing fee as a commission for selling the licenses.

(d) The commissioner shall collect the issuing fee on licenses sold by the commissioner.

(e) A license, except stamps, must state the amount of the issuing fee and that the issuing fee is kept by the seller as a commission for selling the licenses.

(f) The fee for an angling license paid by a resident 65 years of age or over must be refunded to the licensee upon request to the commissioner, if the request is made within 30 days of the sale. The commissioner shall design a system on the license for this purpose. The refund application must include a statement describing the purposes of the game and fish fund, the nature of federal matching funds, and a description of the effects of the loss of state and federal funds from the game and fish fund.

Sec. 3. Minnesota Statutes 1988, section 97A.485, subdivision 7, is amended to read:

Subd. 7. [COUNTY AUDITOR'S COMMISSION.] The county auditor shall retain for the county treasury a commission of four percent of all license fees collected by the auditor and the auditor's subagents, excluding the small game surcharge and issuing fees, and the license to take fish by angling for persons age 65 and over. In addition, the auditor shall collect the issuing fees on licenses sold by the auditor to a licensee.

Sec. 4. [1990 GAME AND FISH FUND FEE INCREASES.]

Fees accruing to the game and fish fund, except commercial fees, shall be increased ten percent rounded to the nearest 25 cents effective March 1, 1990. Commercial fees accruing to the game and fish fund shall be increased ten percent effective March 1, 1990."

Page 1, line 17, delete "less than" and after "feet" insert "or less"

Page 1, line 18, delete "16 feet or" and after "more" insert "than 16 feet"

Page 1, line 21, delete "\$36" and insert "\$40"

Page 1, line 23, delete "\$48" and insert "\$60"

Page 1, line 24, delete "\$60" and insert "\$80"

Page 2, after line 6, insert:

"Sec. 6. Minnesota Statutes 1988, section 361.03, is amended by adding a subdivision to read:

Subd. 3a. [WATERCRAFT SURCHARGE.] A surcharge of \$1 is placed on each watercraft licensed under subdivision 3, clauses (c) to (f). The money must be used for management of purple loosestrife and eurasian watermilfoil according to law."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to waters and watercraft safety; changing certain registration fees; amending Minnesota Statutes 1988, sections 97A.055, by adding a subdivision; 97A.485, subdivisions 6 and 7; and 361.03, subdivision 3, and by adding a subdivision."

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

The report was adopted.

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

H. F. No. 680, A bill for an act relating to waters; appropriating money for stream maintenance.

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 682, A bill for an act relating to appropriations; continuing funding for programs to control the spread of purple loosestrife; appropriating money.

Reported the same back with the following amendments:

Page 1, lines 10 and 16, delete "Lithrum" and insert "Lythrum"

Page 1, line 12, after the period insert "The complement of the department is increased by three positions."

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

The report was adopted.

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

H. F. No. 705, A bill for an act relating to human services; providing requirements for licensing under the human services licensing act; amending Minnesota Statutes 1988, sections 144A.01,

subdivision 5; 245.73, subdivisions 1 and 2; 245A.02, subdivisions 3, 9, 10, 14, and by adding a subdivision; 245A.03, subdivisions 1, 2, and 3; 245A.04, subdivisions 1, 3, 5, 6, 7, and by adding subdivisions; 245A.06, subdivisions 1, 5, and by adding a subdivision; 245A.07, subdivision 2; 245A.08, subdivision 5; 245A.12; 245A.13; 245A.14, subdivision 3; and 245A.16, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 144A.01, subdivision 5, is amended to read:

Subd. 5. "Nursing home" means a facility or that part of a facility which provides nursing care to five or more persons. "Nursing home" does not include a facility or that part of a facility which is a hospital, a hospital with approved swing beds as defined in section 144.562, clinic, doctor's office, diagnostic or treatment center, or a residential facility program licensed pursuant to sections ~~245.781 to 245.821~~ 245A.01 to 245A.16 or 252.28.

Sec. 2. Minnesota Statutes 1988, section 245.73, subdivision 1, is amended to read:

Subdivision 1. [COMMISSIONER'S DUTY.] The commissioner shall establish a statewide program to assist counties in ensuring provision of services to adult mentally ill persons. The commissioner shall make grants to county boards to provide community based services to mentally ill persons through ~~facilities programs~~ licensed under sections ~~245.781 to 245.812~~ 245A.01 to 245A.16.

Sec. 3. Minnesota Statutes 1988, section 245.73, subdivision 2, is amended to read:

Subd. 2. [APPLICATION; CRITERIA.] County boards may submit an application and budget for use of the money in the form specified by the commissioner. The commissioner shall make grants only to counties whose applications and budgets are approved by the commissioner for residential ~~facilities programs~~ for adult mentally ill persons to meet licensing requirements pursuant to sections ~~245.781 to 245.812~~ 245A.01 to 245A.16. Funds shall not be used to supplant or reduce local, state, or federal expenditure levels supporting existing resources unless the reduction in available moneys is the result of a state or federal decision not to refund an existing program. State funds received by a county pursuant to this section shall be used only for direct service costs. Both direct service and other costs, including but not limited to renovation, construction or rent of buildings, purchase or lease of vehicles or equipment as required for licensure as a ~~facility~~ residential program for adult

mentally ill persons under sections 245.781 to 245.812 245A.01 to 245A.16, may be paid out of the matching funds required under subdivision 3. Neither the state funds nor the matching funds shall be used for room and board costs.

Sec. 4. Minnesota Statutes 1988, section 245A.02, subdivision 3, is amended to read:

Subd. 3. [APPLICANT.] "Applicant" means an individual, corporation, partnership, voluntary association, controlling individual, or other organization that has applied for licensure under sections 245A.01 to 245A.16 and the rules of the commissioner.

Sec. 5. Minnesota Statutes 1988, section 245A.02, is amended by adding a subdivision to read:

Subd. 5a. [CONTROLLING INDIVIDUAL.] "Controlling individual" means a public body, governmental agency, business entity, officer, program administrator, or director whose responsibilities include the direction of the management or policies of a program. Controlling individual also means an individual who, directly or indirectly, beneficially owns an interest in a corporation, partnership, or other business association that is a controlling individual. Controlling individual does not include:

(1) a bank, savings bank, trust company, building and loan association, savings and loan association, credit union, industrial loan and thrift company, investment banking firm, or insurance company unless the entity operates a program directly or through a subsidiary;

(2) an individual who is a state or federal official, or state or federal employee, or a member or employee of the governing body of a political subdivision of the state or federal government that operates one or more programs, unless the individual is also an officer or director of the program, receives remuneration from the program, or owns any of the beneficial interests not excluded in this subdivision;

(3) an individual who owns less than five percent of the outstanding common shares of a corporation:

(i) whose securities are exempt under section 80A.15, subdivision 1, clause (f); or

(ii) whose transactions are exempt under section 80A.15, subdivision 2, clause (b); or

(4) an individual who is a member of an organization exempt from taxation under section 290.05, unless the individual is also an

officer or director of the program or owns any of the beneficial interests not excluded in this subdivision. This clause does not exclude from the definition of controlling individual an organization that is exempt from taxation.

Sec. 6. Minnesota Statutes 1988, section 245A.02, subdivision 9, is amended to read:

Subd. 9. [LICENSE HOLDER.] "License holder" means an individual, corporation, partnership, voluntary association, or other organization that is legally responsible for the operation of the program ~~and~~, has been granted a license by the commissioner under sections 245A.01 to 245A.16 and the rules of the commissioner, and is a controlling individual.

Sec. 7. Minnesota Statutes 1988, section 245A.02, subdivision 10, is amended to read:

Subd. 10. [NONRESIDENTIAL PROGRAM.] "Nonresidential program" means care, supervision, rehabilitation, training or habilitation of a person provided outside the person's own home and provided for fewer than 24 hours a day, including adult day care programs; a nursing home that receives public funds to provide services for five or more persons whose primary diagnosis is mental retardation or a related condition or mental illness and who do not have a significant physical or medical problem that necessitates nursing home care; a nursing home or hospital that was licensed by the commissioner on July 1, 1987, to provide a program for persons with a physical handicap that is not the result of the normal aging process and considered to be a chronic condition; and chemical dependency or chemical abuse programs that are located in a nursing home or hospital and receive public funds for providing chemical abuse or chemical dependency treatment services under chapter 254B. Nonresidential programs include home and community-based services and semi-independent living services for persons with mental retardation or a related condition that are provided in or outside of a person's own home.

Sec. 8. Minnesota Statutes 1988, section 245A.02, subdivision 14, is amended to read:

Subd. 14. [RESIDENTIAL PROGRAM.] "Residential program" means a program that provides 24-hour-a-day care, supervision, food, lodging, rehabilitation, training, education, habilitation, or treatment outside a person's own home, including a nursing home or hospital that receives public funds, administered by the commissioner, to provide services for five or more persons whose primary diagnosis is mental retardation or a related condition or mental illness and who do not have a significant physical or medical problem that necessitates nursing home care; a program in an intermediate care facility for four or more persons with mental

retardation or a related condition; a nursing home or hospital that was licensed by the commissioner on July 1, 1987, to provide a program for persons with a physical handicap that is not the result of the normal aging process and considered to be a chronic condition; and chemical dependency or chemical abuse programs that are located in a hospital or nursing home and receive public funds for providing chemical abuse or chemical dependency treatment services under chapter 254B. Residential programs include home and community-based services and semi-independent living services for persons with mental retardation or a related condition that are provided in or outside of a person's own home.

Sec. 9. Minnesota Statutes 1988, section 245A.03, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] Unless licensed by the commissioner, an individual, corporation, partnership, voluntary association ~~or~~, other organization, or controlling individual must not:

- (1) operate a residential or a nonresidential program;
- (2) receive a child or adult for care, supervision, or placement in foster care or adoption;
- (3) help plan the placement of a child or adult in foster care or adoption; or
- (4) advertise a residential or nonresidential program.

Sec. 10. Minnesota Statutes 1988, section 245A.03, subdivision 2, is amended to read:

Subd. 2. [EXCLUSION FROM LICENSURE.] Sections 245A.01 to 245A.16 do not apply to:

- (1) residential or nonresidential programs that are provided to a person by an individual who is related;
- (2) nonresidential programs that are provided by an unrelated individual to persons from a single related family;
- (3) residential or nonresidential programs that are provided to adults who do not abuse chemicals or who do not have a chemical dependency, a mental illness, mental retardation or a related condition, a functional impairment, or a physical handicap;
- (4) sheltered workshops or work activity programs that are certified by the commissioner of jobs and training;

(5) programs for children enrolled in kindergarten to the 12th grade and prekindergarten special education programs that are operated by the commissioner of education or a school as defined in section 120.101, subdivision 4;

(6) nonresidential programs for children that provide care or supervision for periods of less than three hours a day while the child's parent or legal guardian is in the same building or present on property that is contiguous with the physical facility where the nonresidential program is provided;

(7) nonresidential preschool programs for children that are operated by a church or religious organization for the purpose of providing religious related instruction to member children for less than ten hours a week;

(8) nursing homes or hospitals licensed by the commissioner of health except as specified under section 245A.02;

(9) (9) board and lodge facilities licensed by the commissioner of health that provide services for five or more persons whose primary diagnosis is mental illness who have refused an appropriate residential program offered by a county agency. This exclusion expires on July 1, 1989 1990;

(9) (10) homes providing programs for persons placed there by a licensed agency for legal adoption, unless the adoption is not completed within two years;

(10) (11) programs licensed by the commissioner of corrections;

(11) (12) recreation programs for children or adults that operate for fewer than 40 calendar days in a calendar year;

(12) (13) programs not located in family or group family day care homes whose primary purpose is to provide social or recreational activities outside of the regular school day for adults or school age children age five and older, until such time as appropriate rules have been adopted by the commissioner such as scouting, boys clubs, girls clubs, sports, or the arts; unless a program operating in a school building is approved by the district's school board, the program is not excluded from licensure;

(13) (14) head start nonresidential programs which operate for less than 31 days in each calendar year;

(14) (15) noncertified boarding care homes unless they provide services for five or more persons whose primary diagnosis is mental illness or mental retardation;

(15) (16) nonresidential programs for nonhandicapped children provided for a cumulative total of less than 30 days in any 12-month period; or

(16) (17) residential programs for persons with mental illness, that are located in hospitals, until the commissioner adopts appropriate rules;

(18) the religious instruction of school age children; Sabbath or Sunday schools; or the congregate care of children by a church, congregation, or religious society during the period used by the church, congregation, or religious society for its regular worship;

(19) camps licensed by the commissioner of health under Minnesota Rules, chapter 4630;

(20) until July 1, 1991, nonresidential programs for persons with mental illness; or

(21) residential programs serving school age children whose sole purpose is cultural or educational exchange, until the commissioner adopts appropriate rules.

Sec. 11. Minnesota Statutes 1988, section 245A.03, subdivision 3, is amended to read:

Subd. 3. [UNLICENSED PROGRAMS.] (a) It is a misdemeanor for an individual, corporation, partnership, voluntary association, or other organization, or a controlling individual to provide a residential or nonresidential program without a license and in willful disregard of sections 245A.01 to 245A.16 unless the program is excluded from licensure under subdivision 2.

(b) If, after receiving notice that a license is required, the individual, corporation, partnership, voluntary association, or other organization, or controlling individual has failed to apply for a license, the commissioner may ask the appropriate county attorney or the attorney general to begin proceedings to secure a court order against the continued operation of the program. The county attorney and the attorney general have a duty to cooperate with the commissioner.

Sec. 12. Minnesota Statutes 1988, section 245A.04, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION FOR LICENSURE.] (a) An individual, corporation, partnership, voluntary association, or other organization or controlling individual that is subject to licensure under section 245A.03 must apply for a license. The application must be made on the forms and in the manner prescribed by the

commissioner. The commissioner shall provide the applicant with instruction in completing the application and provide information about the rules and requirements of other state agencies that affect the applicant.

The commissioner shall act on the application within 90 working days after a complete application and any required reports have been received from other state agencies or departments, counties, municipalities, or other political subdivisions.

(b) An application for licensure shall specify one or more controlling individuals as agents:

(1) who shall be responsible for dealing with the commissioner of human services on all matters provided for in this chapter; and

(2) on whom service of all notices and orders shall be made. The agent shall be authorized to accept service on behalf of all of the controlling individuals of the program. Service on the agent is service on all of the controlling individuals of the program. It is not a defense to any action arising under this chapter that service was not made on each controlling individual of the program. The designation of one or more controlling individuals as agents under this paragraph shall not affect the legal responsibility of any other controlling individual under this chapter.

Sec. 13. Minnesota Statutes 1988, section 245A.04, subdivision 3, is amended to read:

Subd. 3. [STUDY OF THE APPLICANT.] (a) Before issuing the commissioner issues a license, the commissioner shall conduct a study of the applicant individuals specified in clauses (1) to (4) according to rules of the commissioner. The applicant, license holder, the bureau of criminal apprehension, county attorneys, county sheriffs, and county agencies, and local chiefs of police, after written notice to the individual who is the subject of the data study, shall help with the study by giving the commissioner criminal conviction data, arrest information, and reports about abuse or neglect of children or adults, and investigation results available from local, state, and national criminal record repositories, including the criminal justice data communications network, about substantiated under section 626.557 and the maltreatment of minors substantiated under section 626.556. The individuals to be studied shall include:

(1) the applicant;

(2) persons over the age of 13 living in the household where the licensed program will be provided;

(3) current employees or contractors of the applicant who will have direct contact with persons served by the program; and

(4) volunteers who have direct contact with persons served by the program to provide program services, if the contact is not directly supervised by the individuals listed in clause (1) or (3).

The commissioner and agencies required to help conduct the study may charge the applicant or the subject of the data a reasonable fee for conducting the study.

For purposes of this subdivision, "direct contact" means providing face-to-face care, training, supervision, counseling, consultation, or medication assistance to persons served by a program. For purposes of this subdivision, "directly supervised" means an individual listed in clause (1) or (3) is within sight or hearing of a volunteer to the extent that the individual listed in clause (1) or (3) is capable at all times of intervening to protect the health and safety of the persons served by the program who have direct contact with the volunteer.

A study of an individual in clauses (1) to (4) shall be conducted on at least an annual basis. No applicant, license holder, or individual who is the subject of the study shall pay any fees required to conduct the study.

(b) The individual who is the subject of the study must provide the applicant or license holder with sufficient information to ensure an accurate study including the individual's first, middle, and last name; home address, city, county, and state of residence; zip code; sex; date of birth; and driver's license number. The applicant or license holder shall provide this information about an individual in paragraph (a), clauses (1) to (4), on forms prescribed by the commissioner. The commissioner may request additional information of the individual, which shall be optional for the individual to provide, such as the individual's social security number or race.

(c) A study must meet the following minimum criteria:

(1) if the subject of the data has resided in the same county for at least the past five years, the study must include information from the county sheriff, the local chief of police, and the county agency

(2) if the subject of the data has resided in the state, but not in the same county, for the past five years, the study must include agency's record of substantiated abuse of adults, neglect of adults, and the maltreatment of minors, and information from the agencies listed in clause (1) and the bureau of criminal apprehension; and

(3) if the subject of the data has not resided in the state for at least five years, the study must include information from the agencies

listed in clauses (1) and (2) and the national criminal records repository and the state law enforcement agencies in the states where the subject of the data has maintained a residence during the past five years.

The commissioner may also review arrest and investigative information from the bureau of criminal apprehension, a county attorney, county sheriff, county agency, local chief of police, other states, the courts, or a national criminal record repository if the commissioner has reasonable cause to believe the information is pertinent to the disqualification of an individual listed in paragraph (a), clauses (1) to (4).

(e) (d) An applicant's or license holder's failure or refusal to cooperate with the commissioner is reasonable cause to deny an application or immediately suspend, suspend, or revoke or suspend a license. Failure or refusal of an individual to cooperate with the study is just cause for denying or terminating employment of the individual if the individual's failure or refusal to cooperate could cause the applicant's application to be denied or the license holder's license to be immediately suspended, suspended, or revoked.

(d) (e) The commissioner shall not consider an application to be complete until all of the information required to be provided under this subdivision has been received.

(f) No person in paragraph (a), clause (1), (2), (3), or (4) who is disqualified as a result of this act may be retained by the agency in a position involving direct contact with persons served by the program.

(g) The commissioner shall not implement the procedures contained in this subdivision until appropriate rules have been adopted, except for the applicants and license holders for child foster care, adult foster care, and family day care homes.

(h) Termination of persons in paragraph (a), clause (1), (2), (3), or (4) made in good faith reliance on a notice of disqualification provided by the commissioner shall not subject the applicant or license holder to civil liability.

Sec. 14. Minnesota Statutes 1988, section 245A.04, is amended by adding a subdivision to read:

Subd. 3a. [NOTIFICATION TO SUBJECT OF STUDY RESULTS.] The commissioner shall notify the applicant or license holder and the individual who is the subject of the study, in writing, of the results of the study. When the study is completed, a notice that the study was undertaken and completed shall be maintained in the personnel files of the program.

The commissioner shall notify the individual studied if the information contained in the study could cause disqualification from direct contact with persons served by the program. The commissioner shall disclose the information to the individual studied. An applicant or license holder who is not the subject of the study shall be informed that the commissioner has found information that could cause disqualification of the subject from direct contact with persons served by the program. However, the applicant or license holder shall not be told what that information is unless the data practices act provides for release of the information and the individual studied authorizes the release of the information.

Sec. 15. Minnesota Statutes 1988, section 245A.04, is amended by adding a subdivision to read:

Subd. 3b. [RECONSIDERATION OF DISQUALIFICATION.] Within 30 days after receiving notice of possible disqualification under subdivision 3a, the individual who is the subject of the study may request reconsideration of the notice of possible disqualification. The individual must submit the request for reconsideration to the commissioner in writing.

(a) The individual must present information to show that:

(1) the information the commissioner relied upon is incorrect; or

(2) the subject of the study does not pose a risk of harm to any person served by the applicant or license holder.

(b) The commissioner may set aside the disqualification if the commissioner finds that:

(1) the information the commissioner relied upon is incorrect; or

(2) the individual does not pose a risk of harm to any person served by the applicant or license holder and rules adopted by the commissioner do not preclude reconsideration. The commissioner shall review the consequences of the event or events that could lead to disqualification, the vulnerability of the victim at the time of the event, the time elapsed without a repeat of the same or similar event, and documentation of successful completion by the individual studied of training or rehabilitation pertinent to the event.

The commissioner shall respond in writing to all reconsideration requests within 15 working days after receiving the request for reconsideration. If the disqualification is set aside, the commissioner shall notify the applicant or license holder in writing of the decision.

Except as provided in subdivision 3c, the commissioner's decision

to grant or deny a reconsideration of disqualification under this subdivision, or to set aside or uphold the results of the study under subdivision 3, is the final administrative agency action.

Persons whose employment is terminated based on a notice of disqualification from the commissioner shall not be eligible for benefits under sections 268.03 to 268.231 with respect to the individual's unemployment.

Sec. 16. Minnesota Statutes 1988, section 245A.04, is amended by adding a subdivision to read:

Subd. 3c. [CONTESTED CASE.] If a disqualification is not set aside, a person who, on or after the effective date of rules adopted under subdivision 3, paragraph (g), is an employee of an employer, as defined in section 179A.03, subdivision 15, may request a contested case hearing under chapter 14.

Sec. 17. Minnesota Statutes 1988, section 245A.04, subdivision 5, is amended to read:

Subd. 5. [COMMISSIONER'S RIGHT OF ACCESS.] When the commissioner is exercising the powers conferred by sections 245A.01 to 245A.15, the commissioner must be given access to the physical plant and grounds where the program is provided, documents, persons served by the program, and staff whenever the program is in operation and the information is relevant to inspections or investigations conducted by the commissioner. The commissioner must be given access without prior notice and as often as the commissioner considers necessary if the commissioner is conducting an investigation of allegations of abuse, neglect, maltreatment, or other violation of applicable laws or rules. In conducting inspections, the commissioner may request and shall receive assistance from other state, county, and municipal governmental agencies and departments. The applicant or license holder shall allow the commissioner to photocopy, photograph, and make audio and video tape recordings during the inspection of the program at the commissioner's expense. The commissioner shall obtain a court order or the consent of the subject of the records or the parents or legal guardian of the subject before photocopying hospital medical records.

Persons served by the program have the right to refuse to consent to be interviewed, photographed, or audio or videotaped. Failure or refusal of an applicant or license holder to fully comply with this subdivision is reasonable cause for the commissioner to deny the application or immediately suspend or revoke the license.

Sec. 18. Minnesota Statutes 1988, section 245A.04, subdivision 6, is amended to read:

Subd. 6. [COMMISSIONER'S EVALUATION.] Before granting, suspending, revoking, or making probationary a license, the commissioner shall evaluate information gathered under this section. The commissioner's evaluation shall consider facts, conditions, or circumstances concerning the program's operation, the well-being of persons served by the program, consumer evaluations of the program, and information about the character and qualifications of the personnel employed by the applicant or license holder.

The commissioner shall evaluate the results of the study required in subdivision 3 and determine whether a risk of harm to the persons served by the program exists. In conducting this evaluation, the commissioner shall apply the disqualification standards set forth in rules adopted under this chapter. If any rule currently does not include these disqualification standards, the commissioner shall apply the standards in section 364.03, subdivision 2 3, until the rule is revised to include disqualification standards. The commissioner shall revise all rules authorized by this chapter to include disqualification standards. Prior to the adoption of rules establishing disqualification standards, the commissioner shall forward the proposed rules to the commissioner of human rights for review and recommendation concerning the protection of individual rights. The recommendation of the commissioner of human rights shall not be binding on the commissioner of human services. The provisions of chapter 364 do not apply to applicants or license holders governed by sections 245A.01 to 245A.16 except as provided in this subdivision.

Sec. 19. Minnesota Statutes 1988, section 245A.04, subdivision 7, is amended to read:

Subd. 7. [ISSUANCE OF A LICENSE; PROVISIONAL LICENSE.] (a) If the commissioner determines that the program complies with all applicable rules and laws, the commissioner shall issue a license. At minimum, the license shall state:

- (1) the name of the license holder;
- (2) the address of the program;
- (3) the effective date and expiration date of the license;
- (4) the type of license;
- (5) the maximum number and ages of persons that may receive services from the program; and
- (6) any special conditions of licensure.

(b) The commissioner may issue a provisional license for a period not to exceed one year if:

(1) the commissioner is unable to conduct the evaluation or observation required by subdivision 4, paragraph (a), clauses (3) and (4), because the program is not yet operational;

(2) certain records and documents are not available because persons are not yet receiving services from the program; and

(3) the applicant complies with applicable laws and rules in all other respects.

A provisional license must not be issued except at the time that a license is first issued to an applicant.

A license shall not be transferable to another individual, corporation, partnership, voluntary association ~~or~~ other organization, or controlling individual, or to another location. All licenses expire at 12:01 a.m. on the day after the expiration date stated on the license. A license holder must apply for and be granted a new license to operate the program or the program must not be operated after the expiration date.

Sec. 20. Minnesota Statutes 1988, section 245A.06, subdivision 1, is amended to read:

Subdivision 1. [CONTENTS OF CORRECTION ORDERS.] If the commissioner finds that the applicant or license holder has failed to comply with an applicable law or rule and this failure does not imminently endanger the health, safety, or rights of the persons served by the program, the commissioner may issue a correction order to the applicant or license holder. The correction order must state:

(1) the conditions that constitute a violation of the law or rule;

(2) the specific law or rule violated; and

(3) the time allowed to correct each violation.

Nothing in this section prohibits the commissioner from proposing a sanction as specified in section 245A.07, prior to issuing a correction order or fine.

Sec. 21. Minnesota Statutes 1988, section 245A.06, subdivision 5, is amended to read:

Subd. 5. [FORFEITURE OF FINES.] The license holder shall pay the fines assessed ~~within 15 calendar days of receipt of notice of on or before the payment date specified in the commissioner's order.~~ within 15 calendar days of receipt of notice of on or before the payment date specified in the commissioner's order. If the license holder fails to fully comply with the order, the commissioner shall suspend the license until the license holder complies. If

the license holder receives state funds, the state, county, or municipal agencies or departments responsible for administering the funds shall withhold payments and recover any payments made while the license is suspended for failure to pay a fine.

Sec. 22. Minnesota Statutes 1988, section 245A.06, is amended by adding a subdivision to read:

Subd. 5a. [ACCRUAL OF FINES.] A license holder shall promptly notify the commissioner of human services, in writing, when a violation specified in an order to forfeit is corrected. A fine assessed for a violation shall stop accruing when the commissioner receives the written notice. The commissioner shall reinspect the program within three working days after receiving the notice. If upon reinspection the commissioner determines that a violation has not been corrected as indicated by the order to forfeit, accrual of the daily fine shall resume on the date of reinspection and the amount of fines that otherwise would have accrued between the date the commissioner received the notice and date of the reinspection shall be added to the total assessment due from the license holder. The commissioner shall notify the license holder by certified mail that accrual of the fine has resumed. The license holder may challenge the resumption in a contested case under chapter 14 by written request within 15 days after receipt of the notice of resumption. Recovery of the resumed fine shall be stayed if a controlling individual or a legal representative on behalf of the license holder makes a written request for a hearing. The request for hearing, however, shall not stay accrual of the daily fine for violations that have not been corrected. The cost of reinspection conducted under this subdivision for uncorrected violations shall be added to the total amount of accrued fines due from the license holder.

Sec. 23. Minnesota Statutes 1988, section 245A.07, subdivision 2, is amended to read:

Subd. 2. [IMMEDIATE SUSPENSION IN CASES OF IMMINENT DANGER TO HEALTH, SAFETY, OR RIGHTS.] If the license holder's failure to comply with applicable law or rule has placed the health, safety, or rights of persons served by the program in imminent danger, the commissioner shall act immediately to suspend the license. No state funds shall be made available or be expended by any agency or department of state, county, or municipal government for use by a license holder regulated under sections 245A.01 to 245A.16 while a license is under immediate suspension. A notice stating the reasons for the immediate suspension and informing the license holder of the right to a contested case hearing under chapter 14 must be delivered by personal service to the address shown on the application or the last known address of the license holder. The license holder may appeal an order immediately suspending a license by notifying the commissioner in writing by certified mail within five calendar days after receiving notice that

the license has been immediately suspended. A license holder and any controlling individual shall discontinue operation of the program upon receipt of the commissioner's order to immediately suspend the license.

Sec. 24. Minnesota Statutes 1988, section 245A.08, subdivision 5, is amended to read:

Subd. 5. [NOTICE OF THE COMMISSIONER'S FINAL ORDER.] After considering the findings of fact, conclusions, and recommendations of the administrative law judge, the commissioner shall issue a final order. The commissioner shall consider, but shall not be bound by, the recommendations of the administrative law judge. The appellant must be notified of the commissioner's final order as required by chapter 14. The notice must also contain information about the appellant's rights under chapter 14. The institution of proceedings for judicial review of the commissioner's final order shall not stay the enforcement of the final order except as provided in section 14.65. A license holder and each controlling individual of a license holder whose license has been revoked because of noncompliance with applicable law or rule must not be granted a license for five years following the revocation.

Sec. 25. Minnesota Statutes 1988, section 245A.12, is amended to read:

245A.12 [VOLUNTARY RECEIVERSHIP FOR RESIDENTIAL FACILITIES PROGRAMS.]

A majority of controlling ~~persons~~ individuals of a residential program may at any time ask the commissioner to assume operation of the residential program through appointment of a receiver. On receiving the request for a receiver, the commissioner may enter into an agreement with a majority of controlling ~~persons~~ individuals and provide for the appointment of a receiver to operate the residential program under conditions acceptable to both the commissioner and the majority of controlling persons. The agreement must specify the terms and conditions of the receivership and preserve the rights of the persons being served by the residential program. A receivership set up under this section terminates at the time specified by the parties to the agreement or 30 days after either of the parties gives written notice to the other party of termination of the receivership agreement.

Sec. 26. Minnesota Statutes 1988, section 245A.13, is amended to read:

245A.13 [INVOLUNTARY RECEIVERSHIP FOR RESIDENTIAL FACILITIES PROGRAMS.]

Subdivision 1. [APPLICATION.] The commissioner may petition the district court in the county where the residential program is located for an order directing the controlling persons individuals of the residential program to show cause why the commissioner or the commissioner's designated representative should not be appointed receiver to operate the residential program. The petition to the district court must contain proof by affidavit that the commissioner has either begun license suspension or revocation proceedings, suspended or revoked a license, or decided to deny an application for licensure of the residential program. If the license holder or applicant, or controlling individual operates more than one residential program, the commissioner's petition must specify and be limited to the residential program for which the commissioner has either begun license suspension or revocation proceedings, suspended or revoked a license, or has decided to deny an application for licensure of the residential program. The order to show cause is returnable not less than five days after service is completed and must provide for personal service of a copy to the residential program administrator and to the persons designated as agents by the controlling persons individuals to accept service on their behalf.

Subd. 2. [APPOINTMENT OF RECEIVER; RENTAL.] If the court finds that involuntary receivership is necessary as a means of protecting the health, safety, or rights of persons being served by the residential program, the court shall appoint the commissioner or the commissioner's designated representative as a receiver to operate the residential program. The court shall determine a fair monthly rental for the physical plant, taking into account all relevant factors including the conditions of the physical plant. The rental fee must be paid by the receiver to the appropriate controlling persons individuals for each month that the receivership remains in effect. No payment made to a controlling person individual by the receiver or any state agency during a period of involuntary receivership shall include any allowance for profit or be based on any formula that includes an allowance for profit.

Subd. 3. [POWERS AND DUTIES OF THE RECEIVER.] Within 18 months after the receivership order, a receiver appointed to operate a residential program during a period of involuntary receivership shall provide for the orderly transfer of the persons served by the residential program to other residential programs or make other provisions to protect their health, safety, and rights. The receiver shall correct or eliminate deficiencies in the residential program that the commissioner determines endanger the health, safety, or welfare of the persons being served by the residential program unless the correction or elimination of deficiencies involves major alteration in the structure of the physical plant. If the correction or elimination of the deficiencies requires major alterations in the structure of the physical plant, the receiver shall take actions designed to result in the immediate transfer of persons served by the residential program. During the period of the receivership, the

receiver shall operate the residential program in a manner designed to guarantee the health, safety, rights, adequate care, and supervision of the persons served by the residential program. The receiver may make contracts and incur lawful expenses. The receiver shall collect incoming payments from all sources and apply them to the cost incurred in the performance of the receiver's functions including the receiver's fee set under subdivision 4. No security interest in any real or personal property comprising the residential program or contained within it, or in any fixture of the physical plant, shall be impaired or diminished in priority by the receiver. The receiver shall pay all valid obligations of the residential program and may deduct these expenses, if necessary, from rental payments owed to any controlling ~~person~~ individual by virtue of the receivership.

Subd. 4. [RECEIVER'S FEE; LIABILITY; ASSISTANCE FROM THE COMMISSIONER.] A receiver appointed under an involuntary receivership is entitled to a reasonable receiver's fee as determined by the court. The receiver is liable only in an official capacity for injury to person and property by reason of the conditions of the residential program. The receiver is not personally liable, except for gross negligence and intentional acts.

Subd. 5. [TERMINATION.] An involuntary receivership terminates 12 months after the date on which it was ordered or at any other time designated by the court or when any of the following events occurs:

(1) the commissioner determines that the residential program's license application should be granted or should not be suspended or revoked;

(2) a new license is granted to the residential program; or

(3) the commissioner determines that all persons residing in the residential program have been provided with alternative residential programs.

Sec. 27. Minnesota Statutes 1988, section 245A.14, subdivision 3, is amended to read:

Subd. 3. [CONDITIONAL LICENSE.] Until such time as the commissioner adopts appropriate rules for conditional licenses, no license holder or applicant for a family or group family day care license is required to spend more than \$100 to meet fire safety rules in excess of those required to meet Group "R" occupancies under the Uniform Building Code, chapter 12, as incorporated by reference in Minnesota Rules, part 1305.0100.

When the commissioner determines that an applicant or license holder of a family or group family day care license would be required

to spend over \$100 for physical changes to ensure fire safety, the commissioner may issue a conditional license when all of the following conditions have been met:

(a) The commissioner shall notify the provider license holder or applicant in writing of the fire safety deficiencies.

(b) The commissioner shall notify the provider license holder or applicant in writing of alternative compliance standards that would correct deficiencies, if available.

(c) The provider license holder or applicant agrees in writing to notify each parent, on a form prescribed by the commissioner that requires the signature of the parent, of the fire safety deficiencies, and the existence of the conditional license.

Sec. 28. Minnesota Statutes 1988, section 245A.14, is amended by adding a subdivision to read:

Subd. 6. [LICENSING OF DROP-IN DAY CARE CENTERS FOR CHILDREN.] In any rule adopted by the commissioner of human services to set standards for the operation of child care programs in a center, there shall be specific provisions to govern centers that provide only drop-in care. "Drop-in care," for purposes of this section, means care provided by a program that operates for more than 30 days in any 12-month period, is not excluded by section 245A.03, subdivision 2, provides care to an individual child for no more than a total of 30 hours in any calendar month, and does not have a regularly scheduled ongoing child care program with a stable enrollment. For centers that provide only drop-in care, the commissioner shall set flexible standards for permitting children of adjacent age groups to be cared for in the same day care group and shall set reduced staff distribution requirements. As long as one qualified teacher is on the premises of a center that provides only drop-in care, with a licensed capacity of 30 or less while the center is open for drop-in care, there need not be a head teacher for every age group. In centers that provide only drop-in care and that accept both infants and older children, infants can be supervised by assistant teachers, as long as other staff are present in appropriate ratios as determined by the commissioner. For centers that provide only drop-in child care, the commissioner may establish lesser requirements for furnishings, equipment, materials, and supplies. The commissioner may exempt a center that provides only drop-in care from other standards governing child care centers, as long as those exemptions are specifically stated in the rule.

Sec. 29. Minnesota Statutes 1988, section 245A.16, subdivision 1, is amended to read:

Subdivision 1. [DELEGATION OF AUTHORITY TO AGENCIES.] County agencies and private agencies that have been desig-

nated or licensed by the commissioner to perform licensing functions and activities under section 245A.04, to recommend denial of applicants under section 245A.05, to recommend correction orders and fines under section 245A.06, or to recommend suspending, revoking, and making licenses probationary under section 245A.07, shall comply with rules and directives of the commissioner governing those functions and with this section.

By January 1, 1991, the commissioner shall study and make recommendations to the legislature regarding the licensing and provision of support services to child foster homes. In developing the recommendations, the commissioner shall consult licensed private agencies, county agencies, and licensed foster home providers.

Sec. 30. Minnesota Statutes 1988, section 254A.08, subdivision 2, is amended to read:

Subd. 2. For the purpose of this section, a detoxification program means a social rehabilitation program established for the purpose of facilitating access into care and treatment by detoxifying and evaluating the person and providing entrance into a comprehensive program. Such a Evaluation of the person shall include verification by a professional, after preliminary examination, that the person is intoxicated or has symptoms of chemical dependency and appears to be in imminent danger of harming self or others. A detoxification program shall have available the services of a licensed physician for medical emergencies and routine medical surveillance. A detoxification program licensed by the department of human services to serve both adults and minors at the same site must provide for separate sleeping areas for adults and minors.

Sec. 31. [RULES FOR DROP-IN CARE.]

By April 1, 1990, the commissioner of human services must adopt permanent rules to amend Minnesota Rules, part 9503.0075, to bring that rule part into conformity with the requirements of section 28.

Sec. 32. [RULES PROVIDING VARIANCES.]

The commissioner of human services is authorized to amend Minnesota Rules, part 9503.0170, subpart 6, item D, to permit variances from the staff distribution requirements of part 9503.0040, subpart 2, item D; to permit variances from the age category grouping requirements of part 9503.0040, subpart 3, item B, subitem (1); and to permit variances from the transportation requirements of part 9503.0150, item E. Variance requests submitted to the commissioner according to the amendments authorized in this section must comply in all respects with the provisions of part 9503.0170, subpart 6, items A to C. The commissioner's authority to adopt rules under this section expires on January 1, 1990.

Sec. 33. [REPEALER.]

Laws 1987, chapter 403, article 5, section 1, is repealed.

Sec. 34. [EFFECTIVE DATE.]

Sections 28, 31, and 32, are effective the day after final enactment."

Delete the title and insert:

"A bill for an act relating to human services; providing requirements for licensing under the human services licensing act; amending Minnesota Statutes 1988, sections 144A.01, subdivision 5; 245.73, subdivisions 1 and 2; 245A.02, subdivisions 3, 9, 10, 14, and by adding a subdivision; 245A.03, subdivisions 1, 2, and 3; 245A.04, subdivisions 1, 3, 5, 6, 7, and by adding subdivisions; 245A.06, subdivisions 1, 5, and by adding a subdivision; 245A.07, subdivision 2; 245A.08, subdivision 5; 245A.12; 245A.13; 245A.14, subdivision 3, and by adding a subdivision; 245A.16, subdivision 1; and 254A.08, subdivision 2; repealing Laws 1987, chapter 403, article 5, section 1."

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

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 719, A bill for an act relating to economic development; authorizing certain local jurisdictions to contribute to local or regional economic development organizations; proposing coding for new law in Minnesota Statutes, chapter 469.

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

The report was adopted.

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

H. F. No. 730, A bill for an act relating to human services; clarifying eligibility requirements for AFDC; revising the Minnesota supplemental aid program; appropriating money; amending Minnesota Statutes 1988, sections 13.46, subdivision 2; 237.70,

subdivision 7; 237.701, subdivision 1; 256.014, subdivision 1; 256.12, subdivision 14; 256.73, subdivision 3a; 256.736, subdivision 3; 256.74, subdivisions 1 and 1a; 256D.01, subdivision 1b; 256D.35, subdivisions 1, 7, and by adding subdivisions; 256D.36, subdivision 1, and by adding a subdivision; and 256D.37, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 256D; proposing coding for new law as Minnesota Statutes, chapter 256I; repealing Minnesota Statutes 1988, sections 256D.01, subdivision 1c; 256D.06, subdivisions 3, 4, and 6; 256D.35, subdivisions 2, 3, 4, and 8; 256D.36, subdivision 2; 256D.37, subdivisions 2, 4, 6, 7, 8, 9, 10, 11, 12, 13, and 14; 256D.38; 256D.39; 256D.41; 256D.42; and 256D.43.

Reported the same back with the following amendments:

Pages 6 to 13, delete sections 5 to 9

Page 15, line 36, delete "the inability"

Page 16, delete lines 1 to 3

Page 16, line 4, delete "those" and insert "disability as determined under the"

Page 17, line 19, before "income" insert "net"

Page 19, line 30, before "regional" insert "nursing home,"

Page 19, line 31, after "center" insert a comma

Page 23, line 18, delete everything after the headnote and insert "The transfer policies and procedures of the Minnesota supplemental aid program are those used by the medical assistance program under section 256B.17."

Page 23, delete lines 19 to 36

Page 24, delete lines 1 to 8

Page 26, line 25, after "property" insert "who is the assistance unit or a responsible relative of the assistance unit"

Page 27, line 22, delete "5" and insert "4"

Page 27, lines 24 and 25, delete "share a residence" and insert "reside"

Page 27, line 27, delete "shares a residence" and insert "resides"

Page 27, delete lines 29 to 32

Renumber the subdivisions in sequence

Page 28, after line 27, insert:

"(d) The county agency shall continue to pay a monthly allowance of \$68 for restaurant meals for a person who was receiving a restaurant meal allowance on June 1, 1990, and who eats two or more meals in a restaurant daily. The allowance must continue until the person has not received Minnesota supplemental aid for one full calendar month or until the person's living arrangement changes and the person no longer meets the criteria for the restaurant meal allowance, whichever occurs first."

Page 29, line 11, delete "5" and insert "4"

Page 29, line 16, delete "Emergency"

Page 29, delete lines 17 and 18

Page 30, line 36, after the period, insert "The criteria used to determine a person's continuing need for a protective payee are the criteria used in the supplemental security income program to determine if a person is incapable of managing or directing the management of the person's money."

Page 31, line 31, before "facilities" insert "nursing homes, regional treatment centers, and"

Page 32, line 23, delete "understands" and insert "acknowledges"

Page 32, line 35, after "terminated," insert "the client has the right to choose to have"

Page 32, line 36, delete "must be"

Page 33, line 18, delete "emergency and"

Page 33, delete lines 30 to 35 and insert "as required by federal authorities to avoid sanctions against the state's medical assistance program. Program changes which are made pursuant to this section during a period when the legislature is not in session shall be effective only until the effective date of legislation passed during the next regular or special session of the legislature to affirm or rescind the commissioner's interim action. Whenever the commissioner proposes to exercise the authority granted by this subdivision, notice of the proposed action shall be provided to the chairs of the health and human services division of the senate finance committee, the senate health and human services policy committee, the health

and human services division of the house appropriations committee, and the house health and human services policy committee. The notice must be provided at least ten days before the program changes are to take effect and shall include the specific basis for the commissioner's action, including the precise authority cited by the federal authorities for the threatened sanction. Copies of all relevant communications from federal authorities to the state department of human services shall be included with the notice to the legislative chairs.

Page 36, line 21, delete "filed" and insert "received by a county agency"

Page 37, line 7, delete "this chapter" and insert "general assistance or Minnesota supplemental aid"

Page 38, line 12, delete "subdivision 1" and insert "this section"

Page 39, line 35, delete "10, 26, 34" and insert "5, 21, 29"

Page 39, line 36, delete "section 35, 53 to 58, and 59" and insert "sections 30, 48 to 53, and 54"

Page 40, line 2, delete "11 to 25, 27 to 33" and insert "6 to 20, 22 to 28"

Page 40, line 3, delete "section 35, 36 to 52, and 59" and insert "sections 30, 31 to 47, and 54"

Page 40, line 5, delete "59" and insert "54"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete "256.12,"

Page 1, delete line 8

Page 1, line 9, delete everything before "256D.01"

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 737, A bill for an act relating to housing; changing notice and redemption provisions for certain types of properties; revising certain tenant damage provisions in landlord-tenant actions; regulating tenant screening services; revising certain housing receivership provisions; establishing housing courts, rent escrow systems, and building repair fines as demonstration projects in Hennepin and Ramsey counties; imposing penalties; amending Minnesota Statutes 1988, sections 463.21; 504.255; 504.26; 566.175, subdivision 1; 566.29, subdivisions 1, 4, and by adding subdivisions; 580.031; 580.23, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 504 and 566.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 463.21, is amended to read:

463.21 [ENFORCEMENT OF JUDGMENT.]

If a judgment is not complied with in the time prescribed, the governing body may cause the building to be repaired, razed, or removed or the hazardous condition to be removed or corrected as set forth in the judgment, or acquire the building and real estate on which the building or hazardous condition is located by eminent domain as provided in section 463.152. The cost of ~~such~~ the repairs, razing, or removal ~~shall~~ may be a lien recovered by obtaining a judgment against the owner of the real estate on which the building is located or the hazardous condition exists and or may be enforced as a lien against the real estate on which the building is located or the hazardous condition exists. The lien may be levied and collected only as a special assessment in the manner provided by Minnesota Statutes 1961, sections 429.061 to 429.081, but the assessment shall be payable in a single installment. When the building is razed or removed by the municipality, the governing body may sell the salvage and valuable materials at public auction upon three days' posted notice.

Sec. 2. Minnesota Statutes 1988, section 504.255, is amended to read:

504.255 [UNLAWFUL OUSTER OR EXCLUSION; DAMAGES.]

If a landlord, an agent, or other person acting under the landlord's direction or control, unlawfully and in bad faith removes or, excludes, or forcibly keeps out a tenant from a residential premises,

the tenant may recover from the landlord ~~up to~~ treble damages or \$500, whichever is greater, and reasonable attorney's fees.

Sec. 3. Minnesota Statutes 1988, section 504.26, is amended to read:

504.26 [UNLAWFUL TERMINATION OF UTILITIES.]

Except as otherwise provided in this ~~subdivision~~ section, if a landlord, an agent or other person acting under the landlord's direction or control, interrupts or causes the interruption of electricity, heat, gas, or water services to the tenant, the tenant may recover from the landlord treble damages or \$500, whichever is greater, and reasonable attorney's fees. It is a defense to any action brought under this subdivision section that the interruption was the result of the deliberate or negligent act or omission of a tenant or anyone acting under the direction or control of the tenant. The tenant may recover only actual damages under this ~~subdivision~~ section if:

(a) the tenant has not given the landlord, an agent or other person acting under the landlord's direction or control, notice of the interruption; or

(b) the landlord, an agent or other person acting under the landlord's direction or control, after receiving notice of the interruption from the tenant and within a reasonable period of time after the interruption, taking into account the nature of the service interrupted and the effect of the interrupted service on the health, welfare and safety of the tenants, has reinstated or made a good faith effort to reinstate the service or has taken other remedial action; or

(c) the interruption was for the purpose of repairing or correcting faulty or defective equipment or protecting the health and safety of the occupants of the premises involved and the service was reinstated or a good faith effort was made to reinstate the service or other remedial action was taken by the landlord, an agent, or other person acting under the landlord's direction or control within a reasonable period of time, taking into account the nature of the defect, the nature of the service interrupted and the effect of the interrupted service on the health, welfare and safety of the tenants.

Sec. 4. [504.29] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 4 to 6.

Subd. 2. [OWNER.] "Owner" has the meaning given it in section 566.18, subdivision 3.

Subd. 3. [TENANT.] "Tenant" has the meaning given it in section 566.18, subdivision 2.

Subd. 4. [TENANT REPORT.] "Tenant report" means a written, oral, or other communication by a tenant screening service that includes information concerning an individual's creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living, and that is collected, used, or expected to be used for the purpose of making decisions relating to residential tenancies or residential tenancy applications.

Subd. 5. [TENANT SCREENING SERVICE.] "Tenant screening service" means a person or business regularly engaged in the practice of gathering, storing, or disseminating information about tenants or assembling tenant reports for monetary fees, dues, or on a cooperative nonprofit basis.

Sec. 5. [504.30] [TENANT REPORTS; DISCLOSURE AND CORRECTIONS.]

Subdivision 1. [DISCLOSURES REQUIRED.] Upon request and proper identification, a tenant screening service must disclose the following information to an individual:

(1) the nature and substance of all information in its files on the individual at the time of the request; and

(2) the sources of the information.

A tenant screening service must make the disclosures to an individual without charge if information in a tenant report has been used within the past 30 days to deny a rental to the individual or increase the security deposit or rent of a residential housing unit. If the tenant report has not been used to deny the rental or increase the rent or security deposit of a residential housing unit within the past 30 days, the tenant screening service may impose a reasonable charge for making the disclosure required under this section. The charge shall be indicated to the consumer prior to furnishing the information and shall not exceed the charge that the consumer reporting agency would impose on each designated recipient for a consumer report, except that no charge may be made for notifying such persons of the deletion of information which is found to be inaccurate or which can no longer be verified.

Subd. 2. [CORRECTIONS.] If the completeness or accuracy of an item of information contained in an individual's file is disputed by the individual, the tenant screening service must reinvestigate and record the current status of the information. If the information is found to be inaccurate or can no longer be verified, the tenant screening service must delete the information from the individual's

file and tenant report. At the request of the individual, the tenant screening service must give notification of the deletions to persons who have received the tenant report within the past six months.

Subd. 3. [EXPLANATIONS.] The tenant screening service must permit an individual to explain any disputed item in a tenant report not resolved by a reinvestigation. The explanation must be included in the tenant report. The tenant screening service may limit the explanation to no more than 100 words.

Subd. 4. [COURT FILE INFORMATION.] If a tenant screening service includes in a tenant report information from a court file on an individual, the outcome of the court proceeding must be accurately recorded in the tenant report, unless the outcome is not provided by the court. Whenever the court supplies information from a court file on an individual, in whatever form, the court shall include information on the outcome of the court proceeding when it is available. The tenant screening service is not liable under section 6 with respect to court file information if the tenant screening service reports complete and accurate information as provided by the court.

Subd. 5. [INFORMATION TO TENANT.] If the owner uses information in a tenant report to deny the rental or increase the security deposit or rent of a residential housing unit, the owner shall inform the prospective tenant of the name and address of the tenant screening service that provided the tenant report.

Sec. 6. [504.31] [TENANT REPORT; REMEDIES.]

The remedies provided in section 8.31 apply to a violation of section 5. A tenant screening service or owner in compliance with the provisions of the Fair Credit Reporting Act, United States Code, title 15, section 1681, et seq., is considered to be in compliance with section 5.

Sec. 7. [504.32] [NOTICE REQUIREMENT.]

Subdivision 1. [DEFINITIONS.] The definitions of "owner" and "tenant" in section 566.18 apply to this section.

Subd. 2. [NOTICE.] The owner of federally subsidized rental housing shall give tenants a one-year written notice under the following conditions:

(1) a federal Section 8 contract will expire;

(2) the owner will exercise the option to terminate or not renew a federal Section 8 contract and mortgage;

(3) the owner will prepay a mortgage and the prepayment will result in the termination of any federal use restrictions that apply to the housing; or

(4) the owner will terminate a housing subsidy program.

The notice shall be provided at the commencement of the lease if the lease commences less than one year before any of the above conditions apply.

Sec. 8. Minnesota Statutes 1988, section 566.175, subdivision 1, is amended to read:

Subdivision 1. [UNLAWFUL EXCLUSION OR REMOVAL.] For purposes of this section, "unlawfully removed or excluded" means actual or constructive removal or exclusion. Actual or constructive removal or exclusion may include the termination of utilities, or the removal of doors, windows, or locks. Any tenant who is unlawfully removed or excluded from lands or tenements which are demised or let to the tenant may recover possession of the premises in the following manner:

(a) The tenant shall present a verified petition to the county or municipal court of the county in which the premises are located, which petition shall:

(1) describe the premises of which possession is claimed and the owner, as defined in section 566.18, subdivision 3, of the premises;

(2) specifically state the facts and grounds that demonstrate that the removal or exclusion was unlawful including a statement that no judgment and writ of restitution have been issued under section 566.09 in favor of the owner and against petitioner as to the premises and executed in accordance with section 566.17; and

(3) ask for possession thereof.

(b) If it clearly appears from the specific grounds and facts stated in the verified petition or by separate affidavit of petitioner or the petitioner's counsel or agent that the removal or exclusion was unlawful, the court shall immediately order that petitioner have possession of the premises.

(c) The petitioner shall furnish monetary or other security if any as the court deems appropriate under the circumstances for payment of all costs and damages the defendant may sustain if the order is subsequently found to have been obtained wrongfully. In determining the appropriateness of any security the court shall consider petitioner's ability to afford monetary security.

(d) The court shall direct the order to the sheriff or any constable of the county in which the premises is located and the sheriff or constable shall execute the order immediately by making a demand upon the defendant, if found, or the defendant's agent or other person in charge of the premises, for possession of the premises. If the defendant fails to comply with the demand, the officer shall take whatever assistance may be necessary and immediately place the petitioner in possession of the premises. If the defendant or the defendant's agent or other person in control of the premises cannot be found and if there is no person in charge of the premises detained so that no demand can be made, the officer shall immediately enter into possession of the premises and place the petitioner in possession of the premises. The officer shall also serve the order and verified petition or affidavit without delay upon the defendant or agent, in the same manner as a summons is required to be served in a civil action in district court.

Sec. 9. Minnesota Statutes 1988, section 566.29, subdivision 1, is amended to read:

Subdivision 1. [ADMINISTRATOR.] The administrator may be ~~any~~ a person, other than an owner of the building, local government unit or agency, the inspector, the complaining tenant or any person living in the complaining tenant's dwelling unit. If a state, or court, ~~or local~~ agency is authorized by statute, ordinance or regulation to provide persons to act as administrators under this section, the court may appoint such persons as administrators to the extent they are available.

Sec. 10. Minnesota Statutes 1988, section 566.29, subdivision 4, is amended to read:

Subd. 4. [POWERS.] The administrator ~~shall be empowered~~ is authorized to:

(a) Collect rents from tenants and commercial tenants, evict tenants and commercial tenants for nonpayment of rent or other cause, rent vacant dwelling units on a month to month basis, rent vacant commercial units with the consent of the owner and exercise all other powers necessary and appropriate to carry out the purposes of Laws 1973, chapter 611;

(b) Contract for the reasonable cost of materials, labor and services necessary to remedy the violation or violations found by the court to exist and for the rehabilitation of the property in order to maintain safe and habitable conditions over the useful life of the property, and make disbursements for payment therefor from funds available for the purpose;

(c) Provide any services to the tenants which the owner is

obligated to provide but refuses or fails to provide, and pay for them from funds available for the purpose;

(d) Petition the court, after notice to the parties, for an order allowing the administrator to encumber the premise to secure funds to the extent necessary to cover the cost of materials, labor, and services necessary to remedy the violation or violations found by the court to exist and for rehabilitation of the property in order to maintain safe and habitable conditions over the useful life of the property; and to pay for them from funds derived from the encumbrance; and

(e) Petition the court, after notice to the parties, for an order allowing the administrator to receive funds made available for this purpose by the municipality to the extent necessary to cover the cost of materials, labor, and services necessary to remedy the violation or violations found by the court to exist and for rehabilitation of the property in order to maintain safe and habitable conditions over the useful life of the property, and pay for them from funds derived from the municipal sources. The municipality shall recover disbursements by special assessment on the real estate affected, bearing interest at the rate determined by the municipality, not exceeding the rate established for finance charges for open-end credit sales under section 334.16, subdivision 1, clause (b), with the assessment, interest and any penalties to be collected the same as special assessments made for other purposes under state statute or municipal charter.

Sec. 11. Minnesota Statutes 1988, section 566.29, is amended by adding a subdivision to read:

Subd. 6. [BUILDING REPAIRS AND SERVICES.] The administrator must first contract and pay for building repairs and services necessary to keep the building habitable before other expenses may be paid. If sufficient funds are not available for paying other expenses, such as tax and mortgage payments, after paying for necessary repairs and services, the owner is responsible for the other expenses.

Sec. 12. Minnesota Statutes 1988, section 566.29, is amended by adding a subdivision to read:

Subd. 7. [FUNDS GRANTED TO ADMINISTRATOR.] In considering whether to grant the administrator funds under subdivision 4, the court must consider factors relating to the long-term economic viability of the dwelling. Such an analysis must consider factors including, but not limited to, the causes leading to the appointment of an administrator, the repairs necessary to bring the property into code compliance, the market value of the property, and whether present and future rents will be sufficient to cover the cost of repairs or rehabilitation.

Sec. 13. Minnesota Statutes 1988, section 566.29, is amended by adding a subdivision to read:

Subd. 8. [ADMINISTRATOR'S LIABILITY.] The administrator may not be held personally liable in the performance of duties under this section except for misfeasance, malfeasance, or nonfeasance of office.

Sec. 14. [566.291] [RECEIVERSHIP REVOLVING LOAN FUND.]

The Minnesota housing finance agency may establish a revolving loan fund to pay the administrative expenses of receivership administrators under section 566.29 for properties for occupancy by low- and moderate-income persons or families. Property owners are responsible for repaying administrative expense payments made from the fund.

Sec. 15. [566.35] [ESCROW OF RENT TO REMEDY VIOLATIONS.]

Subdivision 1. [DEFINITIONS.] The definitions in section 566.18 apply to this section.

Subd. 2. [ESCROW OF RENT.] If a violation exists in a building, a tenant may deposit the amount of rent due to the owner with the court administrator using the following procedure:

(a) For a violation of section 566.18, subdivision 6, paragraph (a), the tenant may deposit with the court administrator the rent due to the owner along with a copy of the written notice of code violation provided in section 566.19, subdivision 2. The tenant may not deposit the rent or file the written notice of code violation until the time granted to make repairs has expired without satisfactory repairs being accomplished, unless the tenant alleges that the time granted is excessive.

(b) For a violation of section 566.18, subdivision 6, paragraph (b) or (c), the tenant shall give written notice to the owner specifying the violation. The notice must be delivered personally or sent to the person or place where rent is normally paid. If the violation is not corrected within 14 days, the tenant may deposit the amount of rent due to the owner with the court administrator along with an affidavit specifying the violation. The court shall provide a simplified form affidavit for use under this section.

As long as proceedings are pending under this section, the tenant shall pay rent as directed by the court and may not withhold rent in order to remedy a violation.

Subd. 3. [FILING FEE.] The court administrator may charge a

filing fee in the amount set for conciliation court subject to the filing of an inability to pay affidavit.

Subd. 4. [HEARING; NOTICE.] A hearing must be held within ten to 14 days of the day a tenant deposits rent with the court administrator. If the cost of remedying the violation, as estimated by the tenant, is within the jurisdictional limit for conciliation court, the court administrator shall notify the owner and the tenant of the time and place of the hearing by first class mail. The tenant shall provide the court administrator with the owner's name and address. If under section 504.22, the owner has disclosed a post office box as the owner's address, then notice of the hearing may be mailed to the post office box. If the cost of remedying the violation, as estimated by the tenant, is above the jurisdictional limit for conciliation court, the tenant must serve the notice of hearing according to the rules of civil procedure. The notice of hearing must specify the amount the tenant has deposited with the court administrator.

Subd. 5. [RELEASE OF RENT PRIOR TO HEARING.] If the tenant gives written notice to the court administrator that the code violation has been remedied, the court administrator shall release the rent to the owner and, unless the hearing has been consolidated with another action pending in housing court, shall cancel the hearing. If the tenant and the owner enter into a written agreement signed by both parties apportioning the rent between them, the court administrator shall release the rent in accordance with the written agreement and cancel the hearing.

Subd. 6. [CONSOLIDATION WITH UNLAWFUL DETAINER.] Actions under this section and actions brought under sections 566.01 to 566.17 which involve the same parties must be consolidated.

Subd. 7. [HEARING.] The hearing shall be conducted by a court without a jury. A certified copy of an inspection report meets the requirements of rule 803(8) of the Rules of Evidence as an exception to the rule against hearsay, and meets the requirements of rules 901 and 902 of the Rules of Evidence as to authentication.

Subd. 8. [JUDGMENT.] (a) Upon finding that a violation exists, the court may, in its discretion, do any or all of the following:

(1) order relief as provided in section 566.25, paragraph (a), (b), (d), or (e), including retroactive rent abatement;

(2) order that all or a portion of the rent in escrow be released for the purpose of remedying the violation;

(3) order that rent be deposited with the court as it becomes due to

the owner or abate future rent until the owner remedies the violation; or

(4) impose fines as required in section 16.

(b) Upon finding that a violation exists, the court shall order that any rent found owing the tenant must be returned to the tenant.

(c) Upon finding, after a hearing on the matter has been held, that no violation exists in the building, that the violation has been remedied, or that the tenant did not deposit the full amount of rent due with the court administrator, the court shall order the immediate release of the rent to the owner.

Sec. 16. [566.36] [VIOLATIONS OF BUILDING REPAIR ORDERS.]

Subdivision 1. [DEFINITIONS.] The definitions in section 566.18 apply to subdivision 2.

Subd. 2. [NONCOMPLIANCE; FINES.] Upon finding an owner has failed to comply with a court order for building repairs, the court shall fine the owner according to the following schedule:

(1) \$250 for the first violation;

(2) \$500 for the second violation; and

(3) \$750 for the third and subsequent violations.

The court must find that there has been a willful disregard of a court order before a fine may be imposed. An owner fined twice in a period of three years for failure to comply with a court order for repairs on any building owned is guilty of a gross misdemeanor for a third or subsequent violation and may be sentenced accordingly.

Subd. 3. [FINES COLLECTED.] Fines collected under this section in Hennepin county must be used for expenses of the fourth judicial district district court housing calendar consolidation project. Fines collected under this section in Ramsey county must be used for expenses of the second judicial district district court housing calendar consolidation project.

Sec. 17. Minnesota Statutes 1988, section 580.031, is amended to read:

580.031 [MINIMUM NOTICE.]

Subdivision 1. [EIGHT WEEKS' NOTICE.] Notwithstanding the provisions of any other law to the contrary and except as otherwise

provided in subdivision 2, eight weeks' published notice must be given prior to the foreclosure sale of a homestead to which sections 583.01 to 583.12 apply if the notice is published for the first time after May 24, 1983, and prior to May 1, 1985, after June 8, 1985, and prior to May 1, 1987, or after the effective date of Laws 1987, chapter 292, and prior to May 1, 1989. The notice must contain the information specified in section 580.04.

At least eight weeks before the appointed time of sale, a copy of the notice must be served upon the person in possession of the mortgaged premises, if the premises are actually occupied.

Subd. 2. [FOUR WEEKS' NOTICE.] Notwithstanding subdivision 1, four weeks' published notice must be given prior to the foreclosure sale of an abandoned nonagricultural residential dwelling consisting of less than five units. The notice must contain the information specified in section 580.04.

Sec. 18. Minnesota Statutes 1988, section 580.23, is amended by adding a subdivision to read:

Subd. 1a. [ABANDONED PROPERTY.] Notwithstanding subdivision 1, the mortgagor or the mortgagor's personal representatives or assigns, within one month after a sale, may redeem all abandoned nonagricultural residential dwellings consisting of less than five units.

Sec. 19. [HOUSING CALENDAR CONSOLIDATION PILOT PROJECT.]

Subdivision 1. [ESTABLISHMENT.] A three-year pilot project may be established in the second and fourth judicial districts to consolidate the hearing and determination of matters related to residential rental housing and to ensure continuity and consistency in the disposition of cases.

Subd. 2. [JURISDICTION.] The housing calendar project may consolidate the hearing and determination of all proceedings under Minnesota Statutes, chapters 504 and 566; criminal and civil proceedings related to violations of any state, county, or city health, safety, housing, building, fire prevention, or housing maintenance code; escrow of rent proceedings; landlord tenant damage actions; and actions for rent and rent abatement.

Subd. 3. [REFEREE.] The chief judge of each of the second and fourth judicial districts may appoint a referee for the housing calendar project. The referee shall be learned in the law and shall be compensated according to the same scale used for other referees in the district. Minnesota Statutes, section 484.70, subdivision 6, applies to the housing calendar project.

Subd. 4. [REFEREE DUTIES.] The duties and powers of the referee of the housing calendar project are as follows:

(1) hear and report all matters within the jurisdiction of the housing calendar project and as may be directed to the referee by the chief judge; and

(2) recommend findings of fact, conclusions of law, temporary and interim orders, and final orders for judgment.

All recommended orders and findings of the referee are subject to confirmation by a judge.

Subd. 5. [TRANSMITTAL OF COURT FILE.] Upon the conclusion of the hearing in each case, the referee must transmit to the district court judge the court file, together with the referee's recommended findings and orders in writing. The recommended findings and orders of the referee become the findings and orders of the court when confirmed by the district court judge. The order of the court is proof of the confirmation.

Subd. 6. [CONFIRMATION OF REFEREE ORDERS.] Review of a recommended order or finding of the referee by a district court judge may be had by notice served and filed within ten days of effective notice of the recommended order or finding. The notice of review must specify the grounds for the review and the specific provisions of the recommended findings or orders disputed, and the district court judge, upon receipt of the notice of review, shall set a time and place for the review hearing.

Subd. 7. [PROCEDURES.] The chief judge of each of the second and fourth judicial districts shall establish procedures for the implementation of the housing calendar project, including designation of a location for the hearings. The chief judge may also appoint other staff as necessary for the project.

Subd. 8. [EVALUATION.] The state court administrator shall establish a procedure in consultation with the chief judge of each of the second and fourth judicial districts and the district administrator for evaluating the efficiency and the effectiveness of consolidating the hearing of residential rental housing matters and shall report to the legislature by January 1, 1992. An advisory group shall be established in each of the second and fourth judicial districts to provide ongoing oversight and evaluation of the housing calendar project. The advisory group must be appointed by the chief judge of each district and must be composed of at least one representative from the following groups: the state court administrator's office, the district court administrator's office, the district judges, owners of rental property, and tenants.

Sec. 20. [DEMONSTRATION PROJECT.]

The establishment of the housing calendar consolidation project under section 19 is a demonstration project to evaluate the effectiveness of coordinating the adjudication of all housing-related cases in one court.

Sec. 21. [APPROPRIATION; HOUSING CALENDAR PILOT PROJECT.]

\$ is appropriated from the general fund to the state court administrator to distribute to the second and fourth judicial districts to administer section 19. \$ is appropriated to the state court administrator for evaluation of the housing calendar project under section 19, subdivision 8, to be available until July 1, 1991.

Sec. 22. [REPEALER.]

Section 16, subdivision 3, and section 19 are repealed August 1, 1992.

Sec. 23. [EFFECTIVE DATE.]

Section 19 is effective January 1, 1990."

Delete the title and insert:

"A bill for an act relating to housing; changing notice and redemption provisions for certain types of properties; revising certain tenant damage provisions in landlord-tenant actions; regulating tenant screening services; revising certain housing receivership provisions; establishing housing courts as demonstration projects in Hennepin and Ramsey counties; providing for rent escrow and building repair fines; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 463.21; 504.255; 504.26; 566.175, subdivision 1; 566.29, subdivisions 1, 4, and by adding subdivisions; 580.031; and 580.23, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 504 and 566."

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

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 740, A bill for an act relating to education; changing the name of technical institutes to technical colleges; amending Minnesota Statutes 1988, section 136C.02, subdivision 2.

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

The report was adopted.

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

H. F. No. 820, A bill for an act relating to state government; regulating state employment practices; amending Minnesota Statutes 1988, sections 43A.02, subdivision 33; 43A.04, subdivision 3, and by adding a subdivision; 43A.10, subdivisions 7 and 8; 43A.12, subdivision 5; 43A.13, subdivisions 4, 5, 6, and 7; 43A.15, subdivision 10; 43A.18; subdivision 4; 43A.191, subdivisions 2 and 3; 43A.316, subdivision 5; 43A.37, subdivision 1; and 299D.03, subdivision 7; repealing Minnesota Statutes 1988, section 43A.081, subdivisions 1, 2, and 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. [SALARY RANGES.] The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

Salary Range

Effective

July 1, 1987 1989

~~\$57,500-\$78,500~~ \$63,250-\$86,350

Commissioner of finance;

Commissioner of education;

Commissioner of transportation;

Commissioner of human services;

Commissioner of revenue;

Executive director, state board of investment;

~~\$50,000~~ ~~\$67,500~~ \$55,000-\$74,250

Commissioner of administration;

Commissioner of agriculture;

Commissioner of commerce;

Commissioner of corrections;

Commissioner of jobs and training;

Commissioner of employee relations;

Commissioner of health;

Commissioner of labor and industry;

Commissioner of natural resources;

Commissioner of public safety;

Commissioner of trade and economic development;

Chair, waste management board;

Chief administrative law judge; office of administrative hearings;

Commissioner, pollution control agency;

Commissioner, state planning agency;

Executive director, housing finance agency;

Executive director, public employees

retirement association;

Executive director, teacher's retirement association;

Executive director, state retirement system;

Chair, metropolitan council;

Chair, regional transit board;

~~\$42,500-\$60,000~~ \$46,750-\$66,000

Commissioner of human rights;

Commissioner, department of public service;

Commissioner of veterans' affairs;

Commissioner, bureau of mediation services;

Commissioner, public utilities commission;

Member, transportation regulation board;

Ombudsman for corrections;

Ombudsman for mental health and retardation.

Sec. 2. Minnesota Statutes 1988, section 15A.081, subdivision 7, is amended to read:

Subd. 7. [PART-TIME METROPOLITAN OFFICERS.] The governor shall set the salary rate within the range set forth below for the following part-time positions, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

	Effective July 1, 1987 <u>1989</u>
Chair, metropolitan airports commission	\$15,000-\$25,000 <u>\$16,500-\$27,500</u>
Chair, metropolitan waste control commission	\$25,000-\$35,000 <u>\$27,500-\$38,500</u>

Fringe benefits for unclassified employees of the metropolitan waste control commission shall not exceed those fringe benefits received by unclassified employees of the metropolitan council.

Sec. 3. Minnesota Statutes 1988, section 15A.083, subdivision 4, is amended to read:

Subd. 4. [RANGES FOR OTHER JUDICIAL POSITIONS.] Salaries or salary ranges are provided for the following positions in the judicial branch of government. The appointing authority of any position for which a salary range has been provided shall fix the individual salary within the prescribed range, considering the qualifications and overall performance of the employee. The supreme court shall set the salary of the state court administrator and the salaries of district court administrators. The salary of the state court administrator or a district court administrator may not exceed the salary of a district court judge. If district court administrators die, the amounts of their unpaid salaries for the months in which their deaths occur must be paid to their estates. The salaries of the district administrators of the second, fourth, and sixth judicial districts may be supplemented by the appropriate county board in an amount not to exceed \$10,000 per year. The salary supplement may be made effective only until January 1, 1988. The salary of the state public defender shall be 95 percent of the salary of the attorney general.

Salary or Range
Effective
July 1, 1987 1989

Board on judicial standards executive
director

\$34,000 \$48,000
\$37,400-\$52,800

Sec. 4. Minnesota Statutes 1988, section 15A.083, subdivision 5, is amended to read:

Subd. 5. [TAX COURT.] Salaries of judges of the tax court shall be are the same as the base salary for district judges as provided in set under section 15A.082, subdivision 1 3.

Sec. 5. Minnesota Statutes 1988, section 15A.083, subdivision 7, is amended to read:

Subd. 7. [WORKERS' COMPENSATION COURT OF APPEALS AND COMPENSATION JUDGES.] Salaries of judges of the workers' compensation court of appeals shall be 90 percent of the salary for district judges as ~~provided in set under section 15A.082, subdivision 1 3.~~ Salaries of compensation judges shall be ~~are 75 percent of the salary of district court judges as provided in subdivision 4.~~ The chief workers' compensation settlement judge at the department of labor and industry may be paid an annual salary that is up to five percent greater than the salary of workers' compensation settlement judges at the department of labor and industry.

Sec. 6. Minnesota Statutes 1988, section 43A.02, subdivision 33, is amended to read:

Subd. 33. [PROTECTED GROUPS.] "Protected groups" means females; handicapped persons with disabilities; members of the following minorities: Black, Hispanic, Asian or Pacific Islander, American Indian or Alaskan native; and, until 1989, veterans who served in the military service of this country during the period from August 5, 1964 to May 7, 1975, and separated under honorable conditions from any branch of the armed forces of the United States after having served on active duty for 181 consecutive days or because of disability incurred while serving on active duty and who are permanent residents of the state of Minnesota.

Sec. 7. Minnesota Statutes 1988, section 43A.04, subdivision 1, is amended to read:

Subdivision 1. [STATEWIDE LEADERSHIP.] The commissioner shall be the chief personnel and labor relations manager of the civil service in the executive branch.

(a) Whenever any power or responsibility is given to the commissioner by any provision of Laws 1981, chapter 210, unless otherwise expressly provided, the power or authority shall apply to all employees of agencies in the executive branch and to employees in classified positions in the office of the legislative auditor, the Minnesota state retirement system, the public employees retirement association, and the teacher's retirement association. Unless otherwise provided by law, the power or authority shall not apply to unclassified employees in the legislative and judicial branches.

(b) The commissioner shall operate an information system from which personnel data, as defined in section 13.43, concerning employees and applicants for positions in the classified service can be retrieved.

The commissioner shall have access to all public and private personnel data kept by appointing authorities which will aid in the discharge of the commissioner's duties.

(c) The commissioner may consider and investigate any matters concerned with the administration of provisions of Laws 1981, chapter 210 and may order any remedial actions consistent with law.

(d) The commissioner has sole authority to settle state employee workers' compensation claims.

(e) The commissioner may assess all state entities for the costs of programs under section 15.46.

Sec. 8. Minnesota Statutes 1988, section 43A.04, subdivision 3, is amended to read:

Subd. 3. [RULES.] The commissioner shall ~~promulgate~~ adopt rules ~~pursuant to~~ under the administrative procedure act to implement the provisions of this chapter which that directly affect the rights of or processes available to the general public. The rules shall have the force and effect of law and shall may include but are not limited to:

(a) (1) the processes for determining the extent of competition for filling vacancies, for recruiting applicants, for conducting competitive open examinations, for ranking candidates and maintaining competitive open eligible lists, and for certification and appointment of eligibles from competitive open eligible lists;

(b) (2) the process for effecting noncompetitive and qualifying appointments;

(c) (3) the process for temporary designation of positions in the unclassified service and for effecting appointments to the unclassified service;

(d) (4) a statewide affirmative action program to include requirements for agency affirmative action plans, statewide policies and procedures, reporting requirements, accountability and responsibility of employees in the executive branch, and overall objectives of the program;

(e) (5) conditions under which moving and other expenses may be authorized and paid prior to appointment to persons who have accepted state employment;

(f) (6) procedures for administration of the code of ethics for employees of the executive branch; and

(g) (7) examination procedures for candidates with ~~handicaps~~ disabilities as described in section 43A.10, subdivision 8; and

(8) procedures or policies that affect the operation of or participation in the public employees insurance program.

Sec. 9. Minnesota Statutes 1988, section 43A.04, is amended by adding a subdivision to read:

Subd. 9. [EXPERIMENTAL OR RESEARCH PROJECTS.] The commissioner of employee relations may conduct experimental or research projects designed to improve recruitment, selection, referral, or appointment processes for the filling of state classified positions.

The commissioner shall meet and confer with the affected exclusive bargaining representative of state employees concerning the design and implementation of experimental and research projects under this subdivision.

Any provision in sections 43A.09 to 43A.15, associated personnel rules adopted under subdivision 3, or administrative procedures established under subdivision 4, is waived for the purposes of these projects. The number of appointments under this subdivision may not exceed five percent of the total number of appointments in the preceding fiscal year.

The commissioner shall report by September 1 to the legislative commission on employee relations the results of the experimental research projects conducted in the preceding fiscal year.

Sec. 10. Minnesota Statutes 1988, section 43A.10, subdivision 7, is amended to read:

Subd. 7. [EXAMINATION ACCOMMODATIONS.] Upon request, the commissioner shall provide examination accommodations to a candidate with a handicap disability that does not prevent performance of the duties of the class. The accommodations shall must provide an opportunity to fairly examine the ability of the candidate to perform the duties of the class notwithstanding the handicap disability but shall must preserve, to the extent feasible, the validity of the examination process and equitable comparison of examination scores with competitors without handicaps disabilities.

Sec. 11. Minnesota Statutes 1988, section 43A.10, subdivision 8, is amended to read:

Subd. 8. [ELIGIBILITY FOR QUALIFIED HANDICAPPED DISABLED EXAMINATIONS.] The commissioner shall establish examination procedures for candidates whose handicaps disabilities are of such a severe nature that the candidates are unable to demonstrate their abilities in competitive examination processes. The examination procedures shall must consist of up to 700 hours on-the-job trial work experience which will be in lieu of a competitive examination and for which the disabled person has the option of being paid or unpaid. Up to three persons with severe disabilities and their job coach shall may be allowed to demonstrate their job competence as a unit through the on-the-job trial work experience examination procedure. This work experience shall must be limited to candidates for appointment, promotion, or transfer who have a physical or mental impairment for which there is no reasonable accommodation in the examination process. Implementation of provisions of this subdivision shall may not be deemed a violation of other provisions of Laws 1981, chapter 210 or 363.

Sec. 12. Minnesota Statutes 1988, section 43A.12, subdivision 5, is amended to read:

Subd. 5. [QUALIFIED HANDICAPPED DISABLED LISTS.] On qualified ~~handicapped~~ disabled lists eligibles shall must be ranked in alphabetical order.

Sec. 13. Minnesota Statutes 1988, section 43A.13, subdivision 4, is amended to read:

Subd. 4. [COMPETITIVE OPEN.] (a) For positions to be filled by competitive open examination, the commissioner shall certify the first 20 eligibles on the list plus those eligibles having the same score as the 20th eligible certified.

(b) When the position to be filled by competitive open examination is in a class for which the initially established eligible list contained the names of more than 200 eligibles and that list has existed for more than 12 months and been referred to more than ten vacancies, the commissioner shall certify the first 40 eligibles on the list plus those eligibles having the same score as the 40th eligible certified.

Sec. 14. Minnesota Statutes 1988, section 43A.13, subdivision 5, is amended to read:

Subd. 5. [COMPETITIVE PROMOTIONAL.] For positions to be filled by competitive promotional examination limited to employees of one or more agencies or organizational units, the commissioner shall certify the first ten eligibles on the list plus those eligibles having the same score as the tenth eligible certified. For positions to be filled by competitive promotional examination extended to all employees of the civil service, the commissioner shall certify the first 20 eligibles on the list, plus those eligibles having the same score as the 20th eligible certified.

Sec. 15. Minnesota Statutes 1988, section 43A.13, subdivision 6, is amended to read:

Subd. 6. [QUALIFIED HANDICAPPED DISABLED.] For a position to be filled by qualified ~~handicapped~~ disabled examination, the commissioner shall certify only the one eligible who has successfully completed the examination processes provided in section 43A.10, subdivision 8 for the position.

Sec. 16. Minnesota Statutes 1988, section 43A.13, subdivision 7, is amended to read:

Subd. 7. [EXPANDED CERTIFICATION.] When the commissioner determines that a disparity as defined in rules exists between an agency's work force and its affirmative action plan approved in

accordance with section 43A.19, the commissioner shall ensure to the extent possible that eligibles who are members of the protected groups for which the disparity exists are certified for appointment. When fewer than two eligibles of each protected group for which a disparity has been determined to exist would be certified under subdivisions 4 and 5, the commissioner shall certify two eligibles from each protected group for which a disparity exists, or four from each group for which a disparity exists if the number of names referred has been increased under subdivision 4, paragraph (b). Implementation of this subdivision shall may not be deemed a violation of other provisions of Laws 1981, chapter 210 or 363.

Sec. 17. Minnesota Statutes 1988, section 43A.15, subdivision 10, is amended to read:

Subd. 10. [ROUTINE SERVICE AND ENTRY CLERICAL APPOINTMENTS.] The commissioner may authorize the administration of a qualifying selection process if a class is of a routine, service nature involving unskilled tasks, the performance of which cannot be directly related to qualifications beyond a minimum competency level. Appointing authorities may consider any candidate found so qualified for probationary appointment to such a position The commissioner may also authorize the administration of qualifying skill tests for entry level clerical positions as an alternative to certification from an eligible list as provided in section 43A.13.

Sec. 18. Minnesota Statutes 1988, section 43A.17, subdivision 1, is amended to read:

Subdivision 1. [SALARY LIMITS.] As used in subdivisions 1 to 8 9, "salary" means hourly, monthly, or annual rate of pay including any lump-sum payments and cost-of-living adjustment increases but excluding payments due to overtime worked, shift or equipment differentials, work out of class as required by collective bargaining agreements or plans established under section 43A.18, and back pay on reallocation or other payments related to the hours or conditions under which work is performed rather than to the salary range or rate to which a class is assigned.

The salary, as established in section 15A.081, of the head of a state agency in the executive branch is the upper limit of compensation in the agency. The salary of the commissioner of labor and industry is the upper limit of compensation of employees in the bureau of mediation services. However, if an agency head is assigned a salary that is lower than the current salary of another agency employee, the employee retains the salary, but may not receive an increase in salary as long as the salary is above that of the agency head. The commissioner may grant exemptions from these upper limits as provided in subdivisions 3 and 4.

Sec. 19. Minnesota Statutes 1988, section 43A.18, subdivision 4, is amended to read:

Subd. 4. [PLANS NOT ESTABLISHED BUT APPROVED BY COMMISSIONER.] Notwithstanding any other law to the contrary, total compensation for employees listed in this subdivision shall must be set by appointing authorities within the limits of compensation plans that have been approved by the commissioner before becoming effective. Compensation plans established under paragraphs (b), (c), and (d), must be approved by the legislature and the legislative commission on employee relations under subdivision 2 before becoming effective.

(a) Total compensation for employees who are not covered by a collective bargaining agreement in the offices of the governor, lieutenant governor, attorney general, secretary of state, state auditor, and state treasurer shall must be determined by the governor, lieutenant governor, attorney general, secretary of state, state auditor and state treasurer, respectively.

(b) Total compensation for unclassified positions pursuant to section 43A.08, subdivision 1, clause (h), in the higher education coordinating board, and in the state board of vocational technical education shall (i) not covered by a collective bargaining agreement must be determined by the state university board and the state board for community colleges, the higher education coordinating board, and the state board of vocational technical education, respectively.

(c) Total compensation for classified administrative law judges in the office of administrative hearings shall must be determined by the chief administrative law judge.

(d) Total compensation for unclassified positions not covered by a collective bargaining agreement in the higher education coordinating board and in the state board of vocational technical education must be determined by the higher education coordinating board and the state board of vocational technical education, respectively.

Sec. 20. Minnesota Statutes 1988, section 43A.18, subdivision 5, is amended to read:

Subd. 5. [GOVERNOR TO RECOMMEND CERTAIN SALARIES.] (a) The governor shall, by July 1 of each odd-numbered year, submit to the legislative commission on employee relations recommendations for salaries within the salary range for the positions listed in section 15A.081, subdivisions 1 and 7. The governor may also propose additions or deletions of positions from those listed.

(a) (b) Before submitting the recommendations, the governor shall

consult with the commissioner of administration, the commissioner of finance, and the commissioner of employee relations concerning the recommendations.

(b) (c) In making recommendations, the governor shall consider ~~only~~ the criteria established in subdivision 8 and ~~may not~~ shall take into account performance of individual incumbents. The governor shall establish an objective system for quantifying knowledge, abilities, duties, responsibilities, and accountabilities and in determining recommendations rate each position by this system.

(e) (d) Before the governor's recommended salaries take effect, the recommendations must be reviewed and approved, rejected, or modified by the legislative commission on employee relations and the legislature in the same manner as provided for the commissioner's plan in subdivision 2. The governor may also at any time propose changes in the salary rate of any positions covered by this subdivision, which must be submitted and approved in the same manner as provided in this subdivision.

(d) (e) The governor shall set the initial salary of a head of a new agency or a chair of a new metropolitan board or commission whose salary is not specifically prescribed by law after consultation with the commissioner, whose recommendation is advisory only. The amount of the new salary must be comparable to the salary of an agency head or commission chair having similar duties and responsibilities.

(e) (f) The salary of a newly appointed head of an agency or chair of a metropolitan agency listed in section 15A.081, subdivision 1 or 7, may be increased or decreased by the governor from the salary previously set for that position within 30 days of the new appointment after consultation with the commissioner. If the governor increases a salary under this paragraph, the governor shall submit the new salary to the legislative commission on employee relations and the full legislature for approval, modification, or rejection in the manner provided in section 43A.18, subdivision 2. If the legislature rejects an increased salary or adjourns without action during the following legislative session, the salary for the position reverts to the level in effect before the governor proposed the change.

Sec. 21. Minnesota Statutes 1988, section 43A.191, subdivision 2, is amended to read:

Subd. 2. [AGENCY AFFIRMATIVE ACTION PLANS.] (a) The head of each agency in the executive branch shall prepare and implement an agency affirmative action plan consistent with this section and rules issued under section 43A.04, subdivision 3.

(b) The agency plan must include a plan for the provision of reasonable accommodation in the hiring and promotion of qualified

handicapped disabled persons. The reasonable accommodation plan shall must consist of at least the following:

(1) procedures for compliance with section 363.03 and, where appropriate, regulations implementing United States Code, title 29, section 794, as amended through December 31, 1984, which is section 504 of the Rehabilitation Act of 1973, as amended;

(2) methods and procedures for providing reasonable accommodation for handicapped disabled job applicants, current employees, and employees seeking promotion; and

(3) provisions for funding reasonable accommodations.

(c) The agency plan must be prepared by the agency head with the assistance of the agency affirmative action officer and the director of equal employment opportunity. The council on disability shall provide assistance with the agency reasonable accommodation plan.

(d) An agency affirmative action plan may not be implemented without the commissioner's approval.

Sec. 22. Minnesota Statutes 1988, section 43A.191, subdivision 3, is amended to read:

Subd. 3. [SANCTIONS AND INCENTIVES.] (a) The director of equal employment opportunity shall annually audit the record of each agency to determine the rate of compliance with annual hiring goals of each goal unit and to evaluate the agency's overall progress toward its affirmative action goals and objectives.

(b) By March 1 of each year, the commissioner shall submit a report on affirmative action progress of each agency and the state as a whole to the governor and to the finance committee of the senate, the appropriations committee of the house of representatives, the governmental operations committees of both houses of the legislature, and the legislative commission on employee relations. The report must include noncompetitive appointments made under section 43A.08, subdivision 2a, or 43A.15, subdivisions 3 to 13, and cover each agency's rate of compliance with annual hiring goals. In addition, any agency that has not met its affirmative action hiring goals, that fails to make an affirmative action hire, or fails to justify its nonaffirmative action hire in 25 percent or more of the appointments made in the previous calendar year must be designated in the report as an agency not in compliance with affirmative action requirements.

(c) The commissioner shall study methods to improve the performance of agencies not in compliance with affirmative action requirements.

(d) The commissioner shall establish a program to recognize agencies that have made significant and measurable progress toward achieving affirmative action objectives.

Sec. 23. Minnesota Statutes 1988, section 43A.316, subdivision 5, is amended to read:

Subd. 5. [PUBLIC EMPLOYEE PARTICIPATION.] Participation in the plan is subject to the conditions in this subdivision.

(a) Each exclusive representative for an eligible employer determines whether the employees it represents shall participate in the plan. The exclusive representative ~~must~~ shall give the employer notice of intent to participate at least 90 days before the originally stated expiration date of the collective bargaining agreement in force preceding the collective bargaining agreement that covers the date of entry into the plan. The exclusive representative and the eligible employer shall give notice to the commissioner of the determination to participate in the plan at least 90 days prior to entry into the plan. Entry into the plan ~~shall~~ must be according to a schedule established by the commissioner.

(b) Employees not represented by exclusive representatives may become members of the plan upon a determination of an eligible employer to include these employees in the plan. Either all or none of the employer's unrepresented employees must participate. The eligible employer shall give at least 90 days' notice to the commissioner prior to entering the plan. Entry into the plan ~~shall~~ must be according to a schedule established by the commissioner.

(c) Participation in the plan ~~shall~~ must be for a three-year term if coverage begins in an even-numbered year and a four-year term if coverage begins in an odd-numbered year. Participation is automatically renewed for an additional four-year term unless the exclusive representative, or the employer for unrepresented employees, gives the commissioner notice of withdrawal at least 90 days prior to expiration of the participation period. A group that withdraws must wait two years before rejoining. An exclusive representative, or employer for unrepresented employees, may also withdraw if premiums increase 50 percent or more from one insurance year to the next.

(d) The exclusive representative shall give the employer notice of intent to withdraw to the commissioner at least 90 days before the originally stated expiration date of a the collective bargaining agreement that includes the date on which the term of participation expires.

(e) Each participating eligible employer shall notify the commissioner of names of individuals who will be participating within two weeks of the commissioner receiving notice of the parties' intent to

participate. The employer ~~must~~ shall also submit other information as required by the commissioner for administration of the plan.

Sec. 24. Minnesota Statutes 1988, section 43A.37, subdivision 1, is amended to read:

Subdivision 1. [CERTIFICATION.] Neither the commissioner of finance nor any other fiscal officer of this state ~~shall may~~ draw, sign, or issue, or authorize the drawing, signing, or issuing of any warrant on the treasurer or other disbursing officer of the state, nor ~~shall~~ may the treasurer or other disbursing officer of the state pay any salary or compensation to any person in the civil service, unless a payroll register for the salary or compensation containing the name of every person to be paid ~~shall bear~~ bears the certificate of the commissioner that the persons named in the payroll register have been appointed, as required by law, rules, or administrative procedures and that the salary or compensation is within the compensation plan fixed pursuant to by law. The appointing authority shall certify that all employees named in the payroll register are performing service as required by law. This provision ~~shall~~ does not apply to positions defined in section 43A.08, subdivision 1, clauses (g), (h), (i), (j), and (k) (l). Employees to whom this subdivision does not apply may be paid on the state's payroll system, and the appointing authority or fiscal officer submitting their payroll register ~~shall be~~ is responsible for the accuracy and legality of the payments.

Salary or compensation claims presented against existing appropriations, which have been deemed in violation of the provisions of this subdivision, may be certified for payment if, upon investigation, the commissioner determines the personal services for which payment is claimed actually have been rendered in good faith without collusion and without intent to defraud.

Sec. 25. Minnesota Statutes 1988, section 299D.03, subdivision 7, is amended to read:

Subd. 7. [DISCHARGE OF TROOPER.] Every A person employed and designated as a state trooper under and pursuant to the provisions of this section, after six months of continuous employment completing a probationary period, shall continue continues in service and held holds the position without demotion, until suspended, demoted, or discharged in the manner hereinafter provided in subdivisions 9 to 11 for one or more of the causes specified herein in subdivision 8. The probationary period is six months of continuous employment or another period of continuous employment, of no less than six months and no more than two years, to be determined by the commissioner of employee relations and the exclusive representative of the troopers through collective bargaining.

Sec. 26. [RATIFICATIONS.]

Subdivision 1. [RESIDENTIAL SCHOOLS.] The labor agreement between the state of Minnesota and the state residential schools education association, approved by the legislative commission on employee relations on October 11, 1988, is ratified.

Subd. 2. [HIGHER EDUCATION.] The salaries for the chancellor of the state university system, the chancellor of the community college system, the director of vocational technical education, and the executive director of the higher education coordinating board, approved by the legislative commission on employee relations on December 20, 1988, are ratified.

Subd. 3. [OTHER POSITIONS.] The salary plan for positions listed in Minnesota Statutes, section 15A.081, approved by the legislative commission on employee relations on December 20, 1988, is ratified.

Sec. 27. [REVENUE SALARY.]

Effective July 1, 1989, the salary of the commissioner of revenue is \$77,173 until modified under Minnesota Statutes, section 43A.18, subdivision 5.

Sec. 28. [REPEALER.]

Minnesota Statutes 1988, section 43A.081, subdivisions 1, 2, and 5, are repealed.

Sec. 29. [EFFECTIVE DATES.]

Sections 1 to 5, 18, 20, and 27 are effective July 1, 1989. Sections 25 and 26 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to state government; regulating state employment practices; regulating the setting of certain salaries; authorizing an alternative procedure for discharges of state troopers; ratifying certain salaries; amending Minnesota Statutes 1988, sections 15A.081, subdivisions 1 and 7; 15A.083, subdivisions 4, 5, and 7; 43A.02, subdivision 33; 43A.04, subdivisions 1, 3, and by adding a subdivision; 43A.10, subdivisions 7 and 8; 43A.12, subdivision 5; 43A.13, subdivisions 4, 5, 6, and 7; 43A.15, subdivision 10; 43A.17, subdivision 1; 43A.18, subdivisions 4 and 5; 43A.191, subdivisions 2 and 3; 43A.316, subdivision 5; 43A.37, subdivision 1; and 299D.03, subdivision 7; repealing Minnesota Statutes 1988, section 43A.081, subdivisions 1, 2, and 5."

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

The report was adopted.

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

H. F. No. 823, A bill for an act relating to exotic species of plants and animals; establishing an interagency task force.

Reported the same back with the following amendments:

Page 1, line 10, delete "An interagency" and insert "A"

Page 1, line 15, after the comma insert "the director or designee of the animal damage control program of the United States Department of Agriculture, the regional director or designee to the United States Fish and Wildlife Service,"

Amend the title as follows:

Page 1, line 3, delete "an interagency" and insert "a"

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

The report was adopted.

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

H. F. No. 832, A bill for an act relating to Ramsey county; authorizing the use of certain property for public purposes.

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 849, A bill for an act relating to human services; encouraging increased efforts to collect child support for public and nonpublic assistance clients; presuming paternity when blood tests are 99 percent positive; excluding public assistance from income for maintenance and support determinations in divorce; establishing an

administrative process to obtain and enforce support orders; appropriating money; amending Minnesota Statutes 1988, sections 15A.083, by adding a subdivision; 256.979; 257.55, subdivision 1; 257.62, subdivision 5; 518.54, subdivision 6; 518.551, subdivision 10; 518.611, subdivision 4; 518.613; and 518.614, subdivision 1; repealing Minnesota Statutes 1988, section 518.613, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 256.87, subdivision 1a, is amended to read:

Subd. 1a. [CONTINUING SUPPORT CONTRIBUTIONS.] In addition to granting the county or state agency a money judgment, the court may, upon a motion or order to show cause, order continuing support contributions by a parent found able to reimburse the county or state agency. ~~Except as provided in subdivision 4,~~ The order shall be effective for the period of time during which the recipient receives public assistance from any county or state agency and for five months thereafter. The order shall require support according to chapter 518. An order for continuing contributions is reinstated without further hearing upon notice to the parent by any county or state agency that assistance is again being provided for the child of the parent under sections 256.72 to 256.87. The notice shall be in writing and shall indicate that the parent may request a hearing for modification of the amount of support or maintenance.

Sec. 2. Minnesota Statutes 1988, section 257.55, subdivision 1, is amended to read:

Subdivision 1. [PRESUMPTION.] A man is presumed to be the biological father of a child if:

(a) He and the child's biological mother are or have been married to each other and the child is born during the marriage, or within 280 days after the marriage is terminated by death, annulment, declaration of invalidity, dissolution, or divorce, or after a decree of legal separation is entered by a court;

(b) Before the child's birth, he and the child's biological mother have attempted to marry each other by a marriage solemnized in apparent compliance with law, although the attempted marriage is or could be declared void, voidable, or otherwise invalid, and,

(1) if the attempted marriage could be declared invalid only by a court, the child is born during the attempted marriage, or within 280 days after its termination by death, annulment, declaration of invalidity, dissolution or divorce; or

(2) if the attempted marriage is invalid without a court order, the child is born within 280 days after the termination of cohabitation;

(c) After the child's birth, he and the child's biological mother have married, or attempted to marry, each other by a marriage solemnized in apparent compliance with law, although the attempted marriage is or could be declared void, voidable, or otherwise invalid, and,

(1) he has acknowledged his paternity of the child in writing filed with the state registrar of vital statistics;

(2) with his consent, he is named as the child's father on the child's birth certificate; or

(3) he is obligated to support the child under a written voluntary promise or by court order;

(d) While the child is under the age of majority, he receives the child into his home and openly holds out the child as his biological child; or

(e) He and the child's biological mother acknowledge his paternity of the child in a writing signed by both of them under section 257.34 and filed with the state registrar of vital statistics. If another man is presumed under this clause to be the child's father, acknowledgment may be effected only with the written consent of the presumed father or after the presumption has been rebutted.

(f) Evidence of statistical probability of paternity based on blood testing establishes that the likelihood that the man is the father of the child, calculated with a prior probability of no more than 0.5 (50 percent), is 99 percent or greater.

Sec. 3. Minnesota Statutes 1988, section 257.57, subdivision 1, is amended to read:

Subdivision 1. A child, the child's biological mother, or a man presumed to be the child's father under section 257.55, subdivision 1, clause (a), (b), or (c) may bring an action:

(a) At any time for the purpose of declaring the existence of the father and child relationship presumed under section 257.55, subdivision 1, clause (a), (b), or (c); or

(b) Within three years after the child's birth for the purpose of declaring the nonexistence of the father and child relationship presumed under section 257.55, subdivision 1, clause (a), (b), or (c) only if the action is brought within a reasonable time after the person bringing the action has obtained knowledge of relevant facts,

but in no event later than three years after the child's birth. However, if the presumed father was divorced from the child's mother after service by publication, and, if, on or before the 280th day after the judgment and decree of divorce or dissolution became final, he did not know that the child was born during the marriage or within 280 days after the marriage was terminated, the action is not barred until one year after the child reaches the age of majority. After the presumption has been rebutted, paternity of the child by another man may be determined in the same action, if he has been made a party.

Sec. 4. Minnesota Statutes 1988, section 257.62, subdivision 5, is amended to read:

Subd. 5. [POSITIVE TEST RESULTS.] (a) If the results of the blood tests completed in a laboratory accredited by the American Association of Blood Banks indicate that the likelihood of the alleged father's paternity, calculated with a prior probability of no more than 0.5 (50 percent), is more than 92 percent or greater, upon motion the court shall order the alleged father to pay temporary child support determined according to chapter 518. The alleged father shall pay the support money into court pursuant to the rules of civil procedure to await the results of the paternity proceedings.

(b) If the results of blood tests completed in a laboratory accredited by the American Association of Blood Banks indicate that likelihood of the alleged father's paternity, calculated with a prior probability of no more than 0.5 (50 percent), is 99 percent or greater, the alleged father is presumed to be the parent and the party opposing the establishment of the alleged father's paternity has the burden of proving by clear and convincing evidence that the alleged father is not the father of the child.

Sec. 5. Minnesota Statutes 1988, section 518.54, subdivision 6, is amended to read:

Subd. 6. [INCOME.] "Income" means any form of periodic payment to an individual including, but not limited to, wages, salaries, payments to an independent contractor, workers' compensation, unemployment compensation, annuity, military and naval retirement, pension and disability payments. Benefits received under sections 256.72 to 256.87 and chapter 256D are not income under this section.

Sec. 6. Minnesota Statutes 1988, section 518.551, subdivision 10, is amended to read:

Subd. 10. [ADMINISTRATIVE PROCESS FOR CHILD AND MEDICAL SUPPORT PILOT PROJECT ORDERS.] A pilot project An administrative process is established to obtain, modify, and enforce child and medical support orders and maintenance through

administrative process, to evaluate the efficiency of the administrative process. The pilot project shall begin when the procedures have been established and end on June 30, 1989.

During the pilot project, The commissioner of human services may designate counties to participate in the administrative process established by this section. All proceedings for obtaining, modifying, or enforcing child and medical support orders and maintenance and adjudicating uncontested parentage proceedings, required to be conducted in Dakota county counties designated by the commissioner of human services in which Dakota the county human services agency is a party or represents a party to the action must be conducted by an administrative law judge from the office of administrative hearings, except for the following proceedings:

- (1) adjudication of paternity contested parentage;
- (2) motions to set aside a paternity adjudication or declaration of parentage;
- (3) evidentiary hearing on contempt motions; and
- (4) motions to sentence or to revoke the stay of a jail sentence in contempt proceedings.

An administrative law judge may hear a stipulation reached on a contempt motion, but any stipulation that involves a finding of contempt and a jail sentence, whether stayed or imposed, shall require the review and signature of a county or district judge.

For the purpose of this pilot project process, all powers, duties, and responsibilities conferred on judges of the county or district court to obtain and enforce child and medical support obligations, subject to the limitation set forth herein, are conferred on the administrative law judge conducting the proceedings, including the power to issue orders to show cause and to issue bench warrants for failure to appear.

During fiscal year 1988 Before implementing the process in a county, the chief administrative law judge, the commissioner of human services, the director of Dakota the county human services agency, the Dakota county attorney, and the clerk of the Dakota county court administrator shall jointly establish procedures and the county shall provide hearing facilities for the implementation of implementing this pilot project process in a county.

Nonattorney employees of Dakota county human services the public agency responsible for child support in the counties designated by the commissioner, acting at the direction of the county attorney, may prepare, sign, serve, and file complaints and motions

for obtaining, modifying, or enforcing child and medical support orders and maintenance and related documents, appear at prehearing conferences, and participate in proceedings before an administrative law judge. This activity shall not be considered to be the unauthorized practice of law.

For the purpose of this pilot project, The hearings shall be conducted under the conference contested case rules adopted by the chief administrative law judge. Any discovery required in a proceeding shall be conducted under the rules of family court and the rules of civil procedure, rules of the office of administrative hearings, Minnesota Rules, parts 1400.7100 to 1400.7500, 1400.7700, and 1400.7800, as adopted by the chief administrative law judge. All other aspects of the case, including, but not limited to, pleadings, discovery, and motions, shall be conducted under the rules of family court, the rules of civil procedure and chapter 518. The administrative law judge shall make findings of fact, conclusions, and a final decision and issue an order. Orders issued by an administrative law judge shall be are enforceable by the contempt powers of the county or and district courts.

The administrative law judge shall make a report to the chief administrative law judge or the chief administrative law judge's designee, stating findings of fact and conclusions and recommendations concerning the proposed action, in accordance with sections 14.48 to 14.56. The chief administrative law judge or a designee shall render the final decision and order in accordance with sections 14.61 and 14.62. The decision and order of the chief administrative law judge or a designee shall be a final agency decision for purposes of sections 14.63 to 14.69.

Sec. 7. Minnesota Statutes 1988, section 518.611, subdivision 4, is amended to read:

Subd. 4. [EFFECT OF ORDER.] Notwithstanding any law to the contrary, the order is binding on the employer, trustee, or other payor of the funds when service under subdivision 2 has been made. Withholding must begin no later than the first pay period that occurs after 14 days following the date of the notice. An employer or other payor of funds in this state is required to withhold income according to court orders for withholding issued by other states or territories. The payor shall withhold from the income payable to the obligor the amount specified in the order and amounts required under subdivision 2, paragraph (b) and section 518.613 and shall remit, within ten days of the date the obligor is paid the remainder of the income, the amounts withheld to the public authority. The payor shall identify on the remittance information the date the obligor is paid the remainder of the income. Employers may combine all amounts withheld from one pay period into one payment to each public authority, but shall separately identify each obligor making payment. Amounts received by the public authority which are in

excess of public assistance expended for the party or for a child shall be remitted to the party. An employer shall not discharge, or refuse to hire, or otherwise discipline an employee as a result of a wage or salary withholding authorized by this section. The employer or other payor of funds shall be liable to the obligee for any amounts required to be withheld.

Sec. 8. Minnesota Statutes 1988, section 518.613, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] Notwithstanding any provision of section 518.611, subdivision 2 or 3, to the contrary, whenever an obligation for child support or maintenance, enforced by the public authority, is initially determined and ordered or modified by the court in a county in which this section applies, the amount of child support or maintenance ordered by the court must be withheld from the income, regardless of source, of the person obligated to pay the support.

Sec. 9. Minnesota Statutes 1988, section 518.613, subdivision 2, is amended to read:

Subd. 2. [ORDER; COLLECTION SERVICES.] Every order for child support must include the obligor's social security number and the name and address of the obligor's employer or other payor of funds. Upon entry of the order for support or maintenance, the court shall mail a copy of the court's automatic income withholding order and the provisions of section 518.611 and this section to the obligor's employer or other payor of funds and to the public ~~agency~~ authority responsible for child support enforcement. An obligee who is not a recipient of public assistance shall apply for the collection services of the public authority when an order for support is entered. No later than January 1, 1990, the supreme court shall develop a standard automatic income withholding form to be used by all Minnesota courts. This form shall be made a part of the order for support by reference.

Sec. 10. Minnesota Statutes 1988, section 518.613, subdivision 4, is amended to read:

Subd. 4. [APPLICATION.] On and after August 1, 1987, and prior to August 1, 1989, this section applies in a county selected under Laws 1987, chapter 403, article 3, section 93 and in a county that chooses to have this section apply by resolution of a majority vote of its county board. On and after May 1, 1990, this section applies to all child support and maintenance obligations that are initially ordered or modified on and after May 1, 1990, and that are being enforced by the public authority.

Sec. 11. Minnesota Statutes 1988, section 518.613, is amended by adding a subdivision to read:

Subd. 6. [NOTICE OF SERVICES.] The department of human services shall prepare and make available to the courts a form notice of child support and maintenance collection services available through the public authority responsible for child support enforcement, including automatic income withholding under this section. Promptly upon the filing of a petition for dissolution of marriage or legal separation by parties who have a minor child, the court administrator shall send the form notice to the petitioner and respondent at the addresses given in the petition. The rulemaking provisions of chapter 14 shall not apply to the preparation of the form notice.

Sec. 12. [APPROPRIATION.]

\$600,000 is appropriated from the general fund in fiscal year 1990 and \$2,000,000 is appropriated from the general fund in fiscal year 1991 to the commissioner of human services to increase the amount of money distributed as child support collection incentive awards in accordance with Minnesota Rules, parts 9500.1800 to 9500.1821.

Sec. 13. [REPEALER.]

Minnesota Statutes 1988, sections 256.87, subdivision 4, and 518.613, subdivision 5, are repealed.

Sec. 14. [EFFECTIVE DATE; APPLICATION.]

Section 6 is effective July 1, 1989. Section 3 is effective the day following final enactment and applies to actions brought after January 1, 1986."

Delete the title and insert:

"A bill for an act relating to human services; presuming paternity when blood tests are 99 percent positive; extending the time for bringing certain actions; excluding public assistance from income for maintenance and support determinations in divorce; establishing an administrative process to obtain and enforce support orders; appropriating money; amending Minnesota Statutes 1988, sections 256.87, subdivision 1a; 257.55, subdivision 1; 257.57, subdivision 1; 257.62, subdivision 5; 518.54, subdivision 6; 518.551, subdivision 10; 518.611, subdivision 4; and 518.613, subdivisions 1, 2, 4, and by adding a subdivision; repealing Minnesota Statutes 1988, sections 256.87, subdivision 4; and 518.613, subdivision 5."

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

The report was adopted.

Begin from the Committee on Labor-Management Relations to which was referred:

H. F. No. 882, A bill for an act relating to employment; providing for severance pay and insurance coverage to certain terminated employees; requiring employers to provide advance notice of certain actions related to plant closings and mass layoffs; appropriating money; amending Minnesota Statutes 1988, section 268.07, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 268A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 268.07, subdivision 2, is amended to read:

Subd. 2. [WEEKLY BENEFIT AMOUNT AND DURATION.] (a) To establish a benefit year for unemployment insurance benefits, effective after January 1, 1988, and thereafter, an individual must have:

(1) wage credits in two or more calendar quarters of the individual's base period;

(2) minimum total base period wage credits equal to the high quarter wages multiplied by 1.25;

(3) high quarter wage credits of not less than \$1,000; and

(4) wage credits in 15 or more calendar weeks in the base period.

(b) If the commissioner finds that an individual has sufficient wage credits and weeks worked within the base period to establish a valid claim, the weekly benefit amount payable to the individual during the individual's benefit year shall be equal to $\frac{1}{26}$ of the individual's high quarter wage credits, rounded to the next lower whole dollar.

(c) Notwithstanding paragraph (b), the maximum weekly benefit amount of claims for benefits which establish a benefit year subsequent to July 1, 1979, shall be a percentage of the average weekly wage as determined under paragraphs (d) and (e).

(d) On or before June 30 of each year the commissioner shall determine the average weekly wage for purposes of paragraph (c) paid by employers subject to sections 268.03 to 268.24 in the following manner:

(1) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment. —

(2) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.

(3) The average annual wage shall be divided by 52 to determine the average weekly wage.

(e) The maximum weekly benefit amount for any claim filed during the 12-month period subsequent to June 30 of any year shall be determined on the basis of the unemployment fund balance on December 31 of the preceding year. If the fund balance is less than \$70,000,000 on that date, the maximum weekly benefit amount shall be 66 $\frac{2}{3}$ percent of the average weekly wage; if the fund balance is more than \$70,000,000 but less than \$100,000,000, the maximum weekly benefit amount is 66 percent of the average weekly wage; if the fund balance is more than \$100,000,000 but less than \$150,000,000, the maximum weekly benefit amount is 65 percent of the average weekly wage; if the fund balance is more than \$150,000,000 but less than \$200,000,000, the maximum weekly benefit amount is 64 percent of the average weekly wage; if the fund balance is more than \$200,000,000 but less than \$250,000,000, the maximum weekly benefit amount is 63 percent of the average weekly wage; if the fund balance is more than \$250,000,000 but less than \$300,000,000, the maximum weekly benefit amount is 62 percent of the average weekly wage; if the fund balance is more than \$300,000,000 but less than \$350,000,000, the maximum weekly benefit amount is 61 percent of the average weekly wage; if the fund balance is more than \$350,000,000, the maximum weekly benefit amount is 60 percent. The maximum weekly benefit amount as determined under this paragraph computed to the nearest whole dollar shall apply to claims for benefits which establish a benefit year which begins subsequent to June 30 of each year.

(f) Any eligible individual shall be entitled during any benefit year to a total amount of benefits equal to one-third of the individual's total base period wage credits rounded to the next lower dollar, not to exceed 26 times the individual's weekly benefit amount.

(g) Each eligible individual who is unemployed in any week shall be paid with respect to such week a benefit in an amount equal to the individual's weekly benefit amount less that part of the individual's earnings, including holiday pay, payable to the individual with respect to such week which is in excess of \$200 for earnings from service in the national guard or a United States military reserve unit and the greater of \$25 or 25 percent of the earnings in other work; provided that no deduction may be made from the weekly

benefit amount for earnings from service as a volunteer firefighter or volunteer ambulance service personnel. Jury duty pay is and severance pay received under section 9 are not considered as earnings and shall not be deducted from benefits paid. Such benefit, if not a whole dollar amount shall be rounded down to the next lower dollar amount.

Sec. 2. [268A.01] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 2 to 11, the terms defined in this section have the meanings given them.

Subd. 2. [EMPLOYER.] "Employer" means a person, partnership, corporation, state, county, municipality, or other legal entity that owns or operates a facility within this state and employs (1) 50 or more employees, excluding part-time employees; or (2) 50 or more employees who in the aggregate work at least 2,000 hours per week exclusive of hours of overtime. Employer does not include the federal government or an organization that is exempt from taxation under section 501 of the Internal Revenue Code of 1986, as amended through December 31, 1988.

Subd. 3. [PLANT CLOSING.] "Plant closing" means the permanent or temporary shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment if the shutdown results in an employment loss at the single site of employment during any 30-day period for 25 or more employees excluding any part-time employees.

Subd. 4. [MASS LAYOFF.] "Mass layoff" means a reduction in force that:

- (1) is not the result of a plant closing; and
- (2) results in an employment loss at the single site of employment during any 30-day period for at least:
 - (i) 33 percent of the employees, excluding any part-time employees, and at least 25 employees, excluding any part-time employees; or
 - (ii) 250 employees, excluding any part-time employees.

Subd. 5. [REPRESENTATIVE.] "Representative" means an exclusive representative of employees within the meaning of section 9(a) or 8(f) of the National Labor Relations Act, United States Code, title 29, section 159(a) or 158(f); section 2 of the Railway Labor Act, United States Code, title 45, section 152; or Minnesota Statutes, section 179A.03, subdivision 8.

Subd. 6. [AFFECTED EMPLOYEES.] "Affected employees" means employees, including part-time employees, who may reasonably be expected to experience an employment loss as a consequence of a proposed plant closing or mass layoff by their employer.

Subd. 7. [EMPLOYMENT LOSS.] "Employment loss" means:

(1) an employment termination, other than a discharge for cause, voluntary departure, or retirement;

(2) a layoff exceeding six months; or

(3) a reduction in hours of work of more than 50 percent during each month of any six-month period.

Subd. 8. [UNIT OF LOCAL GOVERNMENT.] "Unit of local government" means any general purpose political subdivision of the state that has the power to levy taxes and spend funds, as well as general corporate and police powers.

Subd. 9. [PART-TIME EMPLOYEE.] "Part-time employee" means an employee who is employed for an average of fewer than 20 hours per week or who has been employed for fewer than six of the 12 months preceding the date on which notice is required.

Sec. 3. [268A.02] [NOTICE REQUIRED BEFORE PLANT CLOSINGS AND MASS LAYOFFS.]

Subdivision 1. [NOTICE TO EMPLOYEES, STATE DISLOCATED WORKER UNITS, AND LOCAL GOVERNMENTS.] An employer may not order a plant closing or mass layoff until the end of a 120-day period after the employer serves written notice of the order to:

(1) each representative of the affected employees as of the time of the notice, and to each affected employee; and

(2) the state dislocated worker unit designated or created under the federal Economic Dislocation and Worker Adjustment Act and the chief elected official of the unit of local government within which the closing or layoff is to occur. If there is more than one unit, the unit of local government that the employer shall notify is the unit of local government to which the employer pays the highest taxes for the year preceding the year for which the determination is made.

Subd. 2. [REDUCTION OF NOTIFICATION PERIOD.] (a) An employer may order a plant closing or mass layoff at a single site of employment before the conclusion of the 120-day period if, as of the time that notice would have been required, the employer was actively seeking capital or business which, if obtained, would have

enabled the employer to avoid or postpone the closing or mass layoff and the employer reasonably and in good faith believed that giving the notice required would have precluded the employer from obtaining the needed capital or business.

(b)(1) An employer may order a plant closing or mass layoff before the conclusion of the 120-day period if the closing or mass layoff is caused by business circumstances that were not reasonably foreseeable at the time the notice would have been required.

(2) No notice under this chapter is required if the plant closing or mass layoff is due to any form of natural disaster, such as a flood, earthquake, or drought.

(c) An employer relying on this subdivision shall give as much notice as is practicable and at that time shall give a brief statement of the basis for reducing the notification period.

Subd. 3. [EXTENSION OF LAYOFF PERIOD.] A layoff of more than six months that at its outset was announced to be a layoff of six months or less is an employment loss under this chapter unless:

(1) the extension beyond six months is caused by business circumstances, including unforeseeable changes in price or cost not reasonably foreseeable at the time of the initial layoff; and

(2) notice is given at the time it becomes reasonably foreseeable that the extension beyond six months will be required.

Subd. 4. [DETERMINATIONS WITH RESPECT TO EMPLOYMENT LOSS.] For purposes of this section, in determining whether a plant closing or mass layoff has occurred or will occur, employment losses for two or more groups at a single site of employment, each of which is less than the minimum number of employees specified in section 2, subdivision 3 or 4, but that in the aggregate exceed the minimum number, and that occur within any 90-day period shall be considered to be a plant closing or mass layoff unless the employer demonstrates that the employment losses are the result of separate and distinct actions and causes and are not an attempt by the employer to evade the requirements of this chapter.

Subd. 5. [NOTICE WHEN BUSINESS SOLD.] In the case of a sale of part or all of an employer's business, the seller is responsible for providing notice for any plant closing or mass layoff up to and including the effective date of the sale. After the effective date of the sale of part or all of an employer's business, the purchaser is responsible for providing notice for any plant closing or mass layoff. Notwithstanding any other provision of this chapter, a person who is an employee of the seller, other than a part-time employee, as of

the effective date of the sale shall be considered an employee of the purchaser immediately after the effective date of the sale.

Sec. 4. [268A.03] [EXEMPTIONS.]

This chapter shall not apply to a plant closing or mass layoff if the closing is of a temporary facility or the closing or layoff is the result of the completion of a particular project or undertaking, and the affected employees were hired with the understanding that their employment was limited to the duration of the facility, project, or undertaking.

An employee is not considered to have experienced an employment loss if the closing or layoff is the result of the relocation or consolidation of part or all of the employer's business and prior to the closing or layoff:

(1) the employer offers to transfer the employee to a different site of employment within a reasonable commuting distance with no more than a six-month break in employment; or

(2) the employer offers to transfer the employee to any other site of employment regardless of distance with no more than a six-month break in employment, and the employee accepts within 30 days of the offer or of the closing or layoff, whichever is later.

Sec. 5. [268A.04] [PROCEDURES IN ADDITION TO OTHER RIGHTS OF EMPLOYEES.]

The rights and remedies provided to employees by this chapter are in addition to, and not in lieu of, any other contractual or statutory rights and remedies of the employees, and are not intended to alter or affect the rights and remedies, except that the period of notification required by this chapter shall run concurrently with any period of notification required by contract or by other statute.

Sec. 6. [268A.05] [PROCEDURES ENCOURAGED WHERE NOT REQUIRED.]

It is the sense of the Minnesota legislature that an employer who is not required to comply with the notice requirements of section 3 should, to the extent possible, provide notice to its employees about a proposal to close a plant or permanently reduce its work force.

Sec. 7. [268A.06] [RULES.]

The commissioner of jobs and training shall adopt rules necessary to carry out this chapter. The rules shall, at a minimum, include rules describing the methods by which employers may provide for appropriate service of notice as required by this chapter.

The rules shall provide that the mailing of notice to an employee's last known address or inclusion of notice in the employee's paycheck is an acceptable method for fulfillment of the employer's obligation to give notice to each affected employee under this chapter.

Sec. 8. [268A.07] [EFFECT ON OTHER LAWS.]

The giving of notice under this chapter, if done in good faith, shall not constitute a violation of chapter 179A.

Sec. 9. [268A.08] [SEVERANCE PAYMENT.]

Subdivision 1. [SEVERANCE PAYMENT.] Each employer owning or operating a facility engaged in a plant closing or mass layoff shall make a severance payment to an affected employee who is terminated if the affected employee has been employed by the employer for two or more years. The payment may, at the option of the employer, be made before or at the termination of the affected employee. The severance payment must be equal to the gross weekly wage of the affected employee at the time of termination, multiplied by the number of full and partial years for which the employee has been employed by the employer. For an affected employee whose gross weekly wage has been reduced within one year of a plant closing as a result of a reduction in the average weekly number of hours worked by the employee, the severance payment must be equal to the affected employee's gross weekly wage before the reduction in the average weekly number of hours worked, multiplied by the number of full and partial years for which the employee has been employed by the employer.

Subd. 2. [OTHER PAYMENTS.] Vacation pay, accrued wages, and other types of payments made for a reason other than as compensation for termination of employment are not severance payments under subdivision 1.

Subd. 3. [HEALTH CARE COVERAGE.] Each employer commencing a plant closing or mass layoff shall continue any existing employer-paid health insurance plan for each affected employee for at least 120 days after the plant closing or mass layoff, unless the employee elects to terminate coverage. During the 120 days, the employer must pay at least the same portion of the premium that the employer paid before termination of the affected employee. The employer shall also continue to make the health insurance plan available to affected employees as required in section 62A.17 or in federal law. The employer's obligation under this subdivision ends when an affected employee obtains coverage through new employment or receives equivalent coverage as a dependent.

Sec. 10. [268A.09] [PRIORITY OF CLAIMS.]

A money claim on behalf of an affected employee against an employer engaged in a plant closing or mass layoff has priority over all other claims against an employer, except wage claims.

Sec. 11. [268A.10] [ENFORCEMENT; DAMAGES.]

Subdivision 1. [AGGRIEVED EMPLOYEE.] For the purposes of this section, "aggrieved employee" means an employee who did not receive timely notice either directly or through a representative as required under section 3 because of the failure by the employer to comply with section 3, or an employee who was denied benefits due under section 9.

Subd. 2. [LIABILITY; FAILURE TO PROVIDE NOTICE.] An employer who orders a plant closing or mass layoff in violation of section 3 is liable to each aggrieved employee who suffers an employment loss as a result of the closing or layoff for:

(1) back pay for each day of violation at a rate of compensation not less than the higher of:

(i) the average regular rate received by the employee during the last three years of the employee's employment; or

(ii) the final regular rate received by the employee; and

(2) benefits under an employee benefit plan described in section 3(3) of the Employee Retirement Income Security Act of 1974, United States Code, title 29, section 1002(3), including the cost of medical expenses incurred during the employment loss that would have been covered under an employee benefit plan if the employment loss had not occurred.

The liability shall be calculated for the period of the violation, up to a maximum of 120 days, but in no event for more than one-half the number of days the employee was employed by the employer. The period of the violation means the number of days that notice was required under section 3 and not provided, beginning on the date that the employment terminates.

Subd. 3. [REDUCTIONS IN LIABILITY.] The amount for which an employer is liable under subdivision 1 shall be reduced by:

(1) wages paid by the employer to the employee for the period of the violation, not including payment of severance, retirement, vacation, or other similar benefits;

(2) voluntary and unconditional payment by the employer to the employee that is not required by any legal obligation; and

(3) payment by the employer to a third party or trustee, such as premiums for health benefits or payments to a defined contribution pension plan, on behalf of and attributable to the employee for the period of the violation.

In addition, liability incurred under subdivision 1 with respect to a defined benefit pension plan may be reduced by crediting the employee with service for all purposes under the plan for the period of the violation.

Subd. 4. [PAYMENT TO LOCAL GOVERNMENT.] An employer who violates section 3 with respect to a unit of local government shall be subject to a civil penalty of not more than \$500 for each day of violation, except that the penalty shall not apply if the employer pays to each aggrieved employee the amount for which the employer is liable to that employee within three weeks from the date the employer orders the shutdown or layoff.

Subd. 5. [LIABILITY; SEVERANCE.] An employer who fails to provide the benefits required under section 9 is liable to the employee for all damages recoverable at law caused by a violation of section 9.

Subd. 6. [COURT ACTION.] (a) In addition to any other remedy provided by law, an aggrieved employee, representative, or unit of local government may bring an action to enforce liability under this section on behalf of an individual, entity, or for others similarly situated. The action may be brought in a district court in the district where the violation is alleged to have occurred or in any district where the employer transacts business.

(b) In any suit under this section, the court may award injunctive or other equitable relief. In addition, the court may award reasonable attorney's fees as part of the costs, to a prevailing employee, employee representative, or unit of local government.

Subd. 7. [ATTORNEY GENERAL.] The courts of this state are vested with jurisdiction to prevent and restrain violations of sections 2 to 11. After satisfaction that sections 2 to 11 have been, are being, or are about to be violated, the attorney general shall be entitled on behalf of the state to:

(1) sue for and have injunctive relief in a court of competent jurisdiction against a violation or threatened violation without abridging the penalties provided by law; and

(2) sue for and recover for the state, from any person who is found to have violated sections 2 to 11, a civil penalty in an amount to be determined by the court, not to exceed \$25,000.

All sums recovered by the attorney general under this subdivision shall be deposited in the general fund of the state treasury and annually appropriated to the commissioner of jobs and training to carry out the commissioner's duties under this chapter.

Subd. 8. [GOOD FAITH DEFENSE.] If an employer who has violated this chapter proves to the satisfaction of the court that the act or omission that violated this chapter was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this chapter, the court may, in its discretion, reduce the amount of the liability or penalty provided for in this section.

Sec. 12. [APPROPRIATION.]

For the biennium ending June 30, 1991, \$80,000 is appropriated from the general fund to the attorney general and \$80,000 is appropriated to the commissioner of jobs and training for the purposes of this chapter. One-half of each appropriation is available in fiscal year 1990 and one-half in fiscal year 1991. The approved complement of the office of the attorney general is increased by one position and the approved complement of the department of jobs and training is increased by one position.

Sec. 13. [EFFECTIVE DATE.]

Sections 1 to 11 are effective 90 days after final enactment."

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

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 955, A bill for an act relating to financial institutions; providing standards for determining transaction account service charges; permitting state banks to establish subsidiaries under certain circumstances; authorizing the commissioner to adopt rules regarding activities of banks and bank subsidiaries; amending Minnesota Statutes 1988, sections 48.512, by adding a subdivision; and 48.61, by adding a subdivision.

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

The report was adopted.

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

H. F. No. 960, A bill for an act relating to conservation; changing certain responsibilities; defining certain terms; adopting eligibility criteria; changing agreement terms and payment procedures; providing for enforcement; authorizing sale of certain bonds; appropriating money; amending Minnesota Statutes 1988, sections 40.42; 40.43; 40.44; and 40.45.

Reported the same back with the following amendments:

Page 3, line 19, after the comma insert "including wildlife habitat and wind erosion control,"

Page 3, line 21, before the period insert ", or

(g) is a woodlot on agricultural land, or

(h) is an area of abandoned buildings on agricultural land, or

(i) is land on a hillside used for pasture"

Page 3, line 27, strike "three years" and insert "one year"

Page 3, line 35, before the period insert ", or land on a hillside used for pasture"

Page 4, line 18, after the period insert "An easement acquired on land for windbreak purposes, under subdivision 2, clause (d), may be only of permanent duration."

Page 6, after line 31, insert:

"For hillside pasture conservation easements, the payments to the landowner for the conservation easement and agreement must be reduced to reflect the value of similar property."

Page 9, after line 22, insert:

"Subd. 4. [FOOD PLOTS AND WINDBREAKS.] The board, in cooperation with the commissioner of natural resources, may authorize wildlife food plots on land with windbreaks."

Page 9, line 26, strike "emergency"

Page 9, after line 33, insert:

"Sec. 5. Minnesota Statutes 1988, section 84.95, subdivision 2, is amended to read:

Subd. 2. [PURPOSES AND EXPENDITURES.] Money from the reinvest in Minnesota resources fund may only be spent for the following fish and wildlife conservation enhancement purposes:

(1) development and implementation of the comprehensive fish and wildlife management plan under section 84.942;

(2) implementation of the conservation reserve program established by section 40.43;

(3) soil and water conservation practices to improve water quality, reduce soil erosion and crop surpluses;

(4) enhancement of fish and wildlife habitat on lakes, streams, wetlands, and public and private forest lands;

(5) acquisition and development of public access sites and recreation easements to lakes, streams, and rivers for fish and wildlife oriented recreation;

(6) matching funds with government agencies, federally recognized Indian tribes and bands, and the private sector for acquisition and improvement of fish and wildlife habitat;

(7) research and surveys of fish and wildlife species and habitat;

(8) enforcement of natural resource laws and rules;

(9) information and education;

(10) implementing the aspen recycling program under section 88.80 and other forest wildlife management projects; and

(11) necessary support services to carry out these purposes.

Sec. 6. Laws 1986, chapter 383, section 17, subdivision 4, is amended to read:

Subd. 4. [COMMISSIONER OF NATURAL RESOURCES.] \$3,600,000 is appropriated to the commissioner of natural resources:

(a) from the bond proceeds account of the reinvest in Minnesota resources fund for fish and wildlife habitat improvements and acquisition of interests in land under the comprehensive fish and wildlife management plan under section 8, to be available until expended \$2,500,000

(b) from the bond proceeds account of the reinvest in Minnesota resources fund for aspen recycling and other forest wildlife management projects under section 12, to be available until expended \$1,000,000

(c) from the general fund for the development of a fish and wildlife research center, to be available until June 30, 1987 \$100,000"

Page 10, line 21, delete "6" and insert "8"

Page 11, line 8, delete "meeting" and insert "matching"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete "and" and after "40.45" insert "; 84.95, subdivision 2; and Laws 1986, chapter 383, section 17, subdivision 4"

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

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 990, A bill for an act relating to housing; establishing a home equity conversion loan counseling program for senior homeowners; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 462A.

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

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 999, A bill for an act relating to alcoholic beverages; authorizing Cook county to issue an off-sale liquor license.

Reported the same back with the following amendments:

Page 1, line 7, delete "paragraph (b)" and insert "paragraphs (b) and (c)"

Page 1, line 9, after "township" insert "with the approval of the commissioner of public safety"

Page 1, line 11, after the period insert "The county board may not issue a license under this section unless the town board of Lutsen township adopts a resolution approving the issuance of the license."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Beginch from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1009, A bill for an act relating to vocational rehabilitation; changing term "extended employment plan participants" to "workers"; amending Minnesota Statutes 1988, section 129A.08, subdivision 4.

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1021, A bill for an act relating to agriculture; establishing an agricultural liming material law; appropriating money; prescribing penalties; amending Minnesota Statutes 1988, section 17.7242, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 1988, sections 17.7241; 17.7244; and 17.7246.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 17.7242, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE.] The purpose of the demonstration project required under sections 17.7241 to this section and sections 17.7243 and 17.7245 is to identify appropriate and mutually beneficial methods for the use of industrial by-product soil buffering materials. Proper use will minimize current waste disposal problems, provide a market for an underutilized resource, and make available to farmers an effective, low-cost soil buffering product.

Sec. 2. Minnesota Statutes 1988, section 17.7242, subdivision 2, is amended to read:

Subd. 2. [AUTHORITY.] The commissioner shall coordinate the design and implementation of a demonstration project to examine the technical feasibility, economic benefits, and environmental impacts of using industrial by-product soil buffering materials as a substitute for limestone and other traditional soil buffering materials.

Sec. 3. [17.731] [CITATION.]

Sections 3 to 15 are known and may be cited as the "Minnesota agricultural liming materials law."

Sec. 4. [17.732] [POWERS AND DUTIES OF COMMISSIONER.]

Subdivision 1. [ADMINISTRATION.] The commissioner shall administer, implement, and enforce sections 3 to 15, and the department of agriculture is the lead state agency for the regulation of agricultural liming materials. This regulation includes, but is not limited to, the storage, handling, distribution, and use of those materials.

Subd. 2. [DELEGATION OF DUTIES.] Functions vested in the commissioner by sections 3 to 15 may be delegated to designated employees or agents of the department of agriculture.

Subd. 3. [DELEGATION TO APPROVED AGENCIES.] The commissioner may, by written agreement, delegate specific inspection, enforcement, and other regulatory duties of sections 3 to 15 to officials of approved agencies.

Sec. 5. [17.733] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in this section apply to sections 3 to 15.

Subd. 2. [AGRICULTURAL LIMING MATERIALS.] "Agricultural liming materials" means materials whose calcium or magnesium compounds, or both, account for an ENP of 30 percent or more. The term includes, but is not limited to, burnt lime, hydrated lime, industrial by-product, limestone, and marl.

Subd. 3. [BRAND.] "Brand" means the term, designation, trademark, product name, or other specific designation under which individual agricultural liming material is offered for sale.

Subd. 4. [BULK.] "Bulk" means in nonpackaged form.

Subd. 5. [BURNT LIME.] "Burnt lime" means a material made from limestone that consists essentially of calcium oxide or a combination of calcium oxide with magnesium oxide.

Subd. 6. [COMMISSIONER.] "Commissioner" means the commissioner of agriculture and the commissioner's authorized agents.

Subd. 7. [DISTRIBUTOR.] "Distributor" means a person who imports, consigns, produces, or offers for sale, sells, barter, or otherwise supplies agricultural liming material in this state.

Subd. 8. [ENP.] "ENP" means effective neutralizing power and is an expression of the neutralizing value of liming material based on the TNP and fineness and expressed as dry weight percentage.

Subp. 9. [FINENESS.] "Fineness" means the percentage by weight of material that will pass sieves of specified sizes.

Subd. 10. [GUARANTEED ANALYSIS.] "Guaranteed analysis" means the plant food claim in addition to claims for ENP or the ability to neutralize soil acidity.

Subd. 11. [GUARANTOR.] "Guarantor" means the person who is guaranteeing the agricultural liming material to be as stated in the guaranteed analysis statement.

Subd. 12. [HYDRATED LIME.] "Hydrated lime" means a material, made from burnt lime, that consists of calcium hydroxide or a combination of calcium hydroxide with either magnesium oxide, magnesium hydroxide, or both.

Subd. 13. [INDUSTRIAL BY-PRODUCT.] "Industrial by-product" means an industrial waste or by-product or the by-product of a municipal water treatment process containing calcium or magnesium or both in a form that may neutralize soil acidity.

Subd. 14. [LABEL.] "Label" means the display of all written, printed, or graphic matter on the immediate container or the

statement accompanying a bulk shipment of agricultural liming material.

Subd. 15. [LABELING.] "Labeling" means written, printed, or graphic matter on or accompanying agricultural liming material and advertisements, brochures, posters, and television, radio, or other announcements used in promoting their sale.

Subd. 16. [LIMESTONE.] "Limestone" means a material consisting essentially of calcium carbonate or a combination of calcium carbonate with magnesium carbonate capable of neutralizing soil acidity.

Subd. 17. [MARL.] "Marl" means a granular or loosely consolidated earthy material composed largely of sea shell fragments and calcium carbonate.

Subd. 18. [OFFICIAL SAMPLE.] "Official sample" means a sample of agricultural liming material taken by the commissioner according to methods prescribed by section 10.

Subd. 19. [PERCENT; PERCENTAGE.] "Percent" or "percentage" means the percentage by weight.

Subd. 20. [PERSON.] "Person" means an individual, firm, corporation, partnership, association, trust, joint stock company, unincorporated organization, the state, a state agency, or a political subdivision.

Subd. 21. [PLANT FOOD.] "Plant food" means one of the following plant nutrients or an additional plant nutrient which might be generally recognized as beneficial for plant growth: nitrogen, phosphorus, potassium, calcium, magnesium, sulfur, boron, chlorine, cobalt, copper, iron, manganese, molybdenum, sodium, and zinc.

Subd. 22. [PRODUCER.] "Producer" means a person who operates a source of production or who blends an agricultural liming material to form a stockpile.

Subd. 23. [SELL.] "Sell," when applied to agricultural liming material, includes:

(1) selling or transferring ownership;

(2) offering and exposing for sale, exchange, distribution, giving away, and transportation in and into this state;

(3) possession with intent to sell, exchange, distribute, give away, or transport in and into this state;

(4) storing, carrying, and handling in aid of traffic, whether done in person or through an agent, employee, or others; and

(5) receiving, accepting, and holding a consignment for sale.

Subd. 24. [SOURCE OF PRODUCTION.] "Source of production" means a plant or facility where agricultural liming materials are produced or stockpiled.

Subd. 25. [STOCKPILE.] "Stockpile" means a supply of agricultural liming material stored for future use.

Subd. 26. [TNP.] "TNP" means total neutralizing power and is the total acid neutralizing capacity of an agricultural liming material expressed as a weight percentage of calcium carbonate and is equivalent to the term "calcium carbonate equivalent."

Subd. 27. [TON.] "Ton" means a net ton of 2,000 pounds avoirdupois.

Subd. 28. [WEIGHT.] "Weight" means the weight of material as offered for sale.

Sec. 6. [17.736] [LICENSE, RENEWAL.]

Subdivision 1. [LICENSE TO SELL.] Before a person may sell, offer for sale, or dispose of in this state agricultural liming material to be used for the correction of soil acidity or soil fertility, the distributor and producer must obtain a license by filing with the commissioner an acceptable application for a license to sell, together with the license fee, on or before January 1 of each year. The application must state the name of the producer or distributor, the location of the principal office of the producer or distributor, the number and location of each source of production covered by the license, and the name, brand, or trademark under which the agricultural liming material will be sold.

Subd. 2. [OUT-OF-STATE SOURCE OF PRODUCTION.] One license for all sources of production for a firm that is located outside of the state must be obtained from the commissioner.

Subd. 3. [EFFECTIVE DATES.] Each license is effective until January 1 next following the date of its issuance or approval. A license must not be transferable from one person to another, or from the ownership to whom issued to another ownership, or from one location to another location.

Subd. 4. [LICENSE POSTING.] The license must be posted in a conspicuous place in each location in this state where these operations are performed.

Subd. 5. [SUBSTANTIATION OF CLAIMS.] The commissioner may require a person applying for a license to sell or produce an agricultural liming material for use in Minnesota to submit authentic experimental evidence or university research data to substantiate the claims made for the product. As evidence to substantiate claims, the commissioner may rely on experimental data, evaluations, or advice furnished by experts at the University of Minnesota and may accept or reject additional sources of evidence in evaluating the agricultural liming material. In all cases, the experimental evidence must relate to conditions in Minnesota for which use of the product is intended. The commissioner may also require evidence of value when used as directed or recommended.

Subd. 6. [INSUFFICIENT EVIDENCE.] If the commissioner determines that the evidence submitted under subdivision 5 does not substantiate the product's usefulness in this state, the commissioner may require the applicant to submit samples, conduct tests, or submit additional information, including conditions affecting performance, in order to evaluate its performance and usefulness.

Sec. 7. [17.737] [LABELING; GUARANTEED ANALYSIS.]

Subdivision 1. [PRODUCT LABEL.] An agricultural liming material offered for sale in this state must be labeled in accordance with rules adopted under this chapter.

Subd. 2. [BULK SHIPMENT LABEL.] If agricultural liming material is transported or sold in bulk, the data in written or printed form as required by subdivision 1 must accompany each delivery and be supplied to each purchaser at the time of delivery.

Sec. 8. [17.738] [LICENSE AND SAMPLING FEES.]

Subdivision 1. [APPLICATION FEE.] An application for a license must be accompanied by a fee of \$100.

Subd. 2. [ADDITIONAL FEE AFTER JANUARY 1.] If an application for license renewal is not filed before January 1 of any year, an additional fee amounting to 50 percent of the amount due must be assessed before the renewal license may be issued.

Subd. 3. [ADDITIONAL FEES FOR PRIOR YEARS.] The applicant shall also pay any license fees for prior years in which the applicant sold an agricultural liming material in Minnesota in violation of this chapter plus an additional fee of 100 percent of the amount due.

Subd. 4. [SAMPLE FEE.] The commissioner may sample agricultural liming material from a source of production as often as deemed necessary to implement sections 3 to 15. A sampling fee of \$25 must

be assessed for each sample collected but may not exceed \$25 per calendar year at each source of production.

Sec. 9. [17.739] [TONNAGE REPORT.]

Subdivision 1. [SEMIANNUAL STATEMENT.] Each licensed distributor or producer of agricultural liming material shall file with the commissioner on forms furnished by the commissioner, a semiannual statement for the periods ending December 31 and June 30 setting forth the number of net tons of agricultural liming material sold in this state during the reporting period. The report is due on or before the last day of the month following the close of each reporting period of each calendar year. For a tonnage report that is not filed within 31 days after the end of the reporting period, a penalty of \$50 must be paid by the licensee and is a debt and may be recovered in a civil action against the licensee. The assessment of this penalty does not prevent the department from taking other actions as provided in sections 3 to 15. The commissioner may by rule require additional reports for the purpose of gathering statistical data relating to agricultural liming material distributed in Minnesota.

Subd. 2. [SEPARATE REPORTS.] A separate report under subdivision 1 is due for each source of production.

Subd. 3. [RECORD VERIFICATION.] Submission of each tonnage report is authority for the commissioner to verify the records upon which the statement of tonnage is based.

Sec. 10. [17.74] [INSPECTION AND INVESTIGATION.]

Subdivision 1. [ACCESS AND ENTRY.] (a) The commissioner, upon presentation of official department credentials, must be granted access at reasonable times without delay to sites (1) where a person produces, handles, distributes, uses, disposes of, stores, or transports an agricultural liming material; and (2) which the commissioner reasonably believes are affected, or possibly affected, by the use of an agricultural liming material or device in violation of sections 3 to 15.

(b) The commissioner may enter sites for:

(1) inspection of equipment for the production, handling, distribution, disposal, or application of an agricultural liming material and the premises on which the equipment is stored;

(2) sampling of sites actually or reportedly exposed to agricultural liming materials;

(3) inspection of storage, handling, distribution, use, or disposal areas of agricultural liming material;

(4) inspection or investigation of complaints of injury to the environment;

(5) sampling of agricultural liming materials;

(6) observation of the use and application of an agricultural liming material;

(7) inspection of records related to the production, handling, distribution, storage, sale, use, or disposal of agricultural liming material; and

(8) other purposes necessary to implement sections 3 to 15.

Subd. 2. [NOTICE OF INSPECTION SAMPLES AND ANALYSES.] (a) The commissioner shall provide the owner, operator, or agent in charge with a receipt describing any samples obtained. If an analysis is made of the samples, a copy of the results of the analysis must be furnished to the owner, operator, or agent in charge.

(b) The methods of sampling and analysis must be those adopted by the association of official analytical chemists. In cases not covered by those methods, or in cases where methods are available in which improved applicability has been demonstrated, the commissioner may adopt appropriate methods from other sources.

Sec. 11. [17.741] [FALSE OR MISLEADING STATEMENTS.]

An agricultural liming material is misbranded if it carries a false or misleading statement on the container or on the label attached to the container, or if false or misleading statements concerning the agricultural liming material are disseminated in any manner or by any means. It is unlawful to sell a misbranded agricultural liming material.

Sec. 12. [17.742] [ADULTERATION.]

No person may sell an adulterated agricultural liming material. An agricultural liming material is adulterated if:

(1) it contains a deleterious or harmful ingredient in sufficient amount to render it injurious to plant life or the environment when applied in accordance with directions for use on the label;

(2) its composition falls below or differs from that it is purported to possess by its labeling; or

(3) it contains unwanted crop seed or weed seed.

Adulterated products that cannot be reconditioned must be disposed of by methods approved by the commissioner.

Sec. 13. [17.743] [RULES.]

Subdivision 1. [FOR ADMINISTRATION.] The commissioner may adopt emergency or permanent rules necessary to administer sections 3 to 15.

Subd. 2. [LIMING MATERIALS.] The commissioner may adopt rules governing the distribution, labeling, sale, handling, certification, use, application, storage, sampling, and analysis of liming materials.

Sec. 14. [17.744] [VIOLATIONS; PENALTY.]

Subdivision 1. [LICENSE.] The commissioner may cancel a license issued under sections 3 to 15 upon satisfactory evidence that the licensee has used fraudulent and deceptive practices in the evasion or attempted evasion of the provisions of this section. No license may be revoked until the licensee has been given opportunity for a hearing by the commissioner.

Subd. 2. [COMMISSIONER'S DISCRETION.] Nothing in sections 3 to 15 requires the commissioner to report a person for prosecution or issue a withdrawal from distribution (stop-sale) order as a result of a minor violation of sections 3 to 15 or when the commissioner believes the public interest will be best served by a suitable notice of warning in writing.

Sec. 15. [17.745] [ADMINISTRATIVE ACTION.]

Subdivision 1. [ADMINISTRATIVE REMEDIES.] The commissioner may seek to remedy violations of sections 3 to 15 or the commissioner's orders by a written warning, administrative meeting, cease and desist, stop-use, stop-sale, or other special order, stipulation, or agreement, if the commissioner determines that the remedy is in the public interest.

Subd. 2. [REVOCATION AND SUSPENSION.] The commissioner may, after written notice and hearing, revoke, suspend, or refuse to grant or renew a license if a person violates sections 3 to 15 or has a history of violations of sections 3 to 15.

Sec. 16. [APPROPRIATION.]

\$270,000 is appropriated from the general fund to the commissioner of agriculture for purposes of the demonstration project in

sections 17.7242 to 17.7245 and to support an agricultural liming material regulatory program. This appropriation is available until June 30, 1991. The complement of the department of agriculture is increased by two positions.

Sec. 17. [INSTRUCTION TO REVISOR.]

In the next and all future editions of Minnesota Statutes, the revisor of statutes shall renumber the sections listed in column A to the numbers listed in column B:

Column A

17.7242

17.7243

17.7245

Column B

17.734

17.735

17.735, subdivision 3

The revisor shall also correct all cross-references to the renumbered sections.

Sec. 18. [REPEALER.]

Minnesota Statutes 1988, sections 17.7241; 17.7244; and 17.7246, are repealed.

Sec. 19. [REPEALER.]

Sections 3 to 15 are repealed effective June 30, 1991.

Sec. 20. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 5, delete "subdivision 1" and insert "subdivisions 1 and 2"

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

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1029, A bill for an act relating to Blue Earth county; authorizing the county to transfer certain duties.

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

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1030, A bill for an act relating to education; appropriating money for lease of space at the College of St. Teresa by Winona State University.

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

The report was adopted.

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

H. F. No. 1041, A bill for an act relating to the environment; providing an exemption process from the power plant siting requirements for certain generating plants; amending Minnesota Statutes 1988, section 116C.57, by adding a subdivision.

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

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 1045, A bill for an act relating to housing; expanding the Minnesota housing financing agency's shared housing program to include handicapped persons; authorizing the provision of technical assistance to sponsors; appropriating money; amending Minnesota Statutes 1988, section 462A.05, subdivision 24.

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

The report was adopted.

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

H. F. No. 1061, A bill for an act relating to state lands; authorizing conveyance of surplus state real property to Leo A. Hoffmann Center, Inc.

Reported the same back with the following amendments:

Page 2, line 9, delete "527.99" and insert "427.95"

Page 2, line 13, delete "341.53" and insert "419.28"

Page 2, line 14, delete "50.00" and insert "150.00"

Page 2, line 16, delete "460.15" and insert "385.15"

Page 2, after line 27, insert:

"All construction plans and specifications for the residential treatment facility to be built on the site must be submitted to the commissioner of administration for review and approval."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

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

H. F. No. 1065, A bill for an act relating to judicial administration; providing for the transfer of referees, judicial officers, court reporters, law clerks, and district administration staff from county to state employment; providing that guardians ad litem are county employees for purposes of tort claims and clarifying tort liability for other court employees; providing for inclusion of the second and fourth judicial districts in the public defender system; providing for appointment of public defenders in the second and fourth judicial districts; authorizing the supreme court to adopt transition rules; requiring a court management plan; establishing a criminal court study commission; requiring criminal case disposition objectives; appropriating money; amending Minnesota Statutes 1988, sections

3.732, subdivision 1; 43A.02, subdivision 25; 43A.24, subdivision 2; 352.01, subdivision 2b; 353.01, subdivision 2a; 466.01, subdivision 6; 484.545, subdivisions 1, 2, and 3; 484.62; 484.64, subdivision 3; 484.65, subdivisions 3 and 7; 484.68, subdivision 5; 486.05; 486.055; 486.06; 487.08, subdivision 5; and 611.26, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 480; 611; and 631; repealing Minnesota Statutes 1988, sections 383B.63, subdivisions 4 and 5; 486.07; 488A.05; 488A.111; 488A.22; 488A.281; 611.12; and 611.214; and Laws 1975, chapter 258, section 6, subdivisions 1, 3, 4, and 5.

Reported the same back with the following amendments:

Page 12, line 6, after "association" insert "or the Minneapolis employees retirement fund"

Page 12, line 11, after the period insert "The state shall make the employer contribution to the public employees retirement association or the employer contribution under section 422A.101, subdivision 1a, to the Minneapolis employees retirement fund on behalf of employees who make an election under clause (2)."

Page 12, line 12, after "paragraph (a)" insert ", clause (1),"

Page 12, line 14, after the period insert "An employee who makes an election under paragraph (a), clause (2) may revoke the election at any time before July 1, 1990. Once an employee revokes this election, the employee may not make another election."

Page 12, after line 14, insert:

"(c) The supreme court, after consultation with the conference of chief judges, the commissioner of employee relations, and the executive directors of the public employees retirement association and the Minnesota state retirement association, shall adopt procedures for making elections under this section.

(d) The supreme court shall notify all affected employees of the options available under this section. The executive directors of the public employees retirement association and the Minnesota state retirement system shall provide counseling to affected employees on the effect of making an election to remain a member of the public employees retirement association.

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

The report was adopted.

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

H. F. No. 1077, A bill for an act relating to state lands; authorizing conveyance of state land to the city of St. Peter.

Reported the same back with the following amendments:

Page 1, line 7, after "transfer" insert "as much of"

Page 1, line 8, after "Peter" insert "as the city requests"

Page 1, line 9, delete "without consideration"

Page 1, line 10, delete "with" and insert ". The conveyance of any portion of the land that the city agrees to use for a public purpose must be without consideration. The conveyance of any remaining land described in paragraph (c) is at the option of the city, and must be for the appraised value of the land. Notwithstanding Minnesota Statutes, section 94.10, the appraised value must be determined by one appraiser appointed by the commissioner of administration. Any conveyance made without consideration must include"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1103, A bill for an act relating to health; requiring a fee for an application for a home care provider license; authorizing the commissioner to seek injunctive relief and use subpoenas in regulating home care providers; imposing requirements for disclosure of criminal convictions by home care providers; imposing a penalty for providing home care without a license; requiring public members in the mortuary science advisory council; allowing use of a trainee's name in the advertising or title of a funeral establishment; establishing a hearing instrument security fund; establishing a human services occupational account; amending Minnesota Statutes 1988, sections 144A.45, subdivision 2; 144A.46; 149.02; 149.06; and 153A.13, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 144; 144A; 145; and 214; repealing Minnesota Statutes 1988, section 153A.16.

Reported the same back with the following amendments:

Page 1, after line 25, insert:

"Sec. 2. Minnesota Statutes 1988, section 144.698, subdivision 1, is amended to read:

Subdivision 1. [YEARLY REPORTS.] Each hospital and each outpatient surgical center, which has not filed the financial information required by this section with a voluntary, nonprofit reporting organization pursuant to section 144.702, shall file annually with the commissioner of health after the close of the fiscal year:

(a) A balance sheet detailing the assets, liabilities, and net worth of the hospital;

(b) A detailed statement of income and expenses;

(c) A copy of its most recent cost report, if any, filed pursuant to requirements of Title XVIII of the United States Social Security Act; and

(d) A copy of all changes to articles of incorporation or bylaws;

(e) Information on services provided for community benefit. These services may include services provided at no cost or for a reduced fee to patients unable to pay, teaching and research activities, or other community or charitable activities;

(f) Information required on the revenue and expense report forms in effect on July 1, 1989; and

(g) Other information required by the commissioner in rule.

Sec. 3. Minnesota Statutes 1988, section 144.701, is amended to read:

144.701 [RATE DISCLOSURE.]

Subdivision 1. [CONSUMER INFORMATION.] The commissioner of health shall ensure that the total costs, total revenues, and total services of each hospital and each outpatient surgical center are reported to the public in a form understandable to consumers.

Subd. 2. [DATA FOR POLICY MAKING.] The commissioner of health shall compile relevant financial and accounting data concerning hospitals and outpatient surgical centers in order to have statistical information available for legislative policy making.

Subd. 3. [RATE SCHEDULE.] The commissioner of health shall obtain from each hospital and outpatient surgical center a current rate schedule. Any subsequent amendments or modifications of that schedule shall be filed with the commissioner of health at least 60 days in advance of on or before their effective date.

Subd. 4. [FILING FEES.] Each report which is required to be submitted to the commissioner of health under sections 144.695 to 144.703 and which is not submitted to a voluntary, nonprofit reporting organization in accordance with section 144.702 shall be accompanied by a filing fee in an amount prescribed by rule of the commissioner of health. Fees received pursuant to this subdivision shall be deposited in the general fund of the state treasury health care cost information system account.

Subd. 5. [HEALTH CARE COST INFORMATION SYSTEMS ACCOUNT.] The health care cost information systems account is created as a separate account in the special revenue fund. Upon the withdrawal of approval of a reporting organization, or the decision of the commissioner to not renew a reporting organization, fees collected by a voluntary, nonprofit reporting organization under section 144.702 shall be submitted to the commissioner, and deposited in the health care cost information systems account. The commissioner may employ staff to administer the reporting procedures under sections 144.695 to 144.703, or contract with a third party for the administration of the reporting procedures.

Sec. 4. Minnesota Statutes 1988, section 144.702, subdivision 2, is amended to read:

Subd. 2. [APPROVAL OF ORGANIZATION'S REPORTING PROCEDURES.] The commissioner of health may approve voluntary reporting procedures which are substantially equivalent to reporting requirements and procedures adopted by the commissioner of health for reporting procedures under sections 144.695 to 144.703, consistent with written operating requirements for the voluntary, nonprofit reporting organization which shall be established annually by the commissioner. These written operating requirements shall specify reports, analyses and other deliverables to be produced by the voluntary, nonprofit reporting organization, and the dates on which those deliverables must be submitted to the commissioner. The commissioner shall approve annual spending plans developed by the voluntary, nonprofit reporting organization. The commissioner of health shall, by rule, prescribe standards for approval of voluntary reporting procedures, which submission of data by hospitals and outpatient surgical centers to the voluntary, nonprofit reporting organization. These standards shall provide for:

(a) The filing of appropriate financial information with the reporting organization;

(b) Adequate analysis and verification of that financial information; and

(c) Timely publication of the costs, revenues, and rates of individual hospitals and outpatient surgical centers prior to the effective date of any proposed rate increase. The commissioner of health shall

annually review the procedures approved pursuant to this subdivision.

Sec. 5. Minnesota Statutes 1988, section 144.702, is amended by adding a subdivision to read:

Subd. 7. [FEES.] Any voluntary, nonprofit reporting organization shall pay to the commissioner on or before July 1 each year a fee which shall be equal to the appropriation to the commissioner for the purpose of administering the health care cost information system for that fiscal year.

Sec. 6. Minnesota Statutes 1988, section 144.702, is amended by adding a subdivision to read:

Subd. 8. [TERMINATION OR NONRENEWAL OF REPORTING ORGANIZATION.] The commissioner may withdraw approval of any voluntary, nonprofit reporting organization for failure on the part of the voluntary, nonprofit reporting organization to comply with the written operating requirements under subdivision 2. Upon the effective date of the withdrawal, all funds collected by the voluntary, nonprofit reporting organization under section 144.701, subdivision 4, but not expended under the approved spending plan, shall be placed in the health care cost information systems account.

The commissioner may choose not to renew approval of a voluntary, nonprofit reporting organization if, in the commissioner's judgment, the organization has failed to perform its obligations satisfactorily under the written operating requirements under subdivision 2."

Page 7, after line 15, insert:

"Sec. 11. Minnesota Statutes 1988, section 148.56, is amended by adding a subdivision to read:

Subd. 5. [EXEMPTION.] Nothing in this section and no rule or regulation adopted under section 148.53 with respect to this section shall prevent or restrict:

(1) optical dispensing practices or services related to the fitting of eyeglasses; and

(2) contact lens technology practices, services, or activities.

Clause (2) of this subdivision does not take effect until the department of health has completed rules for registration of contact lens dispensers.

Sec. 12. Minnesota Statutes 1988, section 148B.27, subdivision 2, is amended to read:

Subd. 2. [USE OF TITLES.] After the board adopts rules, no individual shall be presented to the public by any title incorporating the words "social work" or "social worker" unless that individual holds a valid license issued under sections 148B.18 to 148B.28. City, county, and state agency social workers who are not licensed under sections 148B.18 to 148B.28 may use the title city agency social worker or county agency social worker or state agency social worker.

Hospital social workers who are not licensed under sections 148B.18 to 148B.28 may use the title hospital social worker, while acting within the scope of their employment.

Sec. 13. Minnesota Statutes 1988, section 148B.32, subdivision 2, is amended to read:

Subd. 2. [APPEARANCE AS LICENSEE PROHIBITED.] After adoption of rules by the board implementing sections 148B.29 to 148B.39, no individual shall be held out to be a marriage and family therapist unless that individual holds a valid license issued under sections 148B.29 to 148B.39, except persons providing marriage and family therapy who are employed by hospitals licensed under chapter 144 and who are acting within the scope of their employment."

Page 10, after line 27, insert:

"Sec. 17. Minnesota Statutes 1988, section 153A.15, subdivision 3, is amended to read:

Subd. 3. [PROCEDURES.] The commissioner shall establish, in writing, internal operating procedures for receiving and investigating complaints and imposing enforcement actions. The written internal operating procedures may include procedures for sharing complaint information with government agencies in this and other states. Establishment of the operating procedures are not subject to rulemaking procedures under chapter 14. Procedures for sharing complaint information shall be consistent with the requirements for handling government data under chapter 13.

Sec. 18. Minnesota Statutes 1988, section 153A.16, is amended to read:

153A.16 [BOND REQUIRED.]

A sole proprietor, partnership, association, or corporation engaged in hearing instrument sales shall provide a surety bond in favor of the state of Minnesota in the amount of \$5,000 for every individual

engaged in the practice of selling hearing instruments, up to a maximum of \$25,000. The bond required by this section must be in favor of the state for the benefit of any person who suffers loss of payments for the purchase or repair of a hearing instrument after July 1, 1988, due to insolvency or cessation of the business of the sole proprietor, partnership, association, or corporation engaged in hearing instrument sales. A copy of the bond must be filed with the attorney general commissioner of health. A person claiming against the bond may maintain an action at law against the surety and the sole proprietor, partnership, association, or corporation. The aggregate liability of the surety to all persons for all breaches of the conditions of the bonds provided herein must not exceed the amount of the bond."

Page 10, delete lines 28 to 35, and insert:

"Sec. 19. [214.135] [HUMAN SERVICES OCCUPATIONAL ACCOUNT.]

The human services occupational account is created as a separate account in the special revenue fund. All fees charged to register human services occupations under section 214.13, subdivision 1, or for the purposes of establishing permit systems for human services occupations authorized by the legislature must be deposited into this special account. The money in the account is continually appropriated to the commissioner of health for the purposes of registering or permitting human services occupations.

Sec. 20. Minnesota Statutes 1988, section 326.78, subdivision 2, is amended to read:

Subd. 2. [ISSUANCE OF LICENSES AND CERTIFICATES.] The commissioner may issue licenses to employers and certificates to employees who meet the criteria in sections 326.70 to 326.82 and the commissioner's rules. Licenses and certificates shall be valid for at least 12 months, except that the initial certificate will be issued to expire one year after the completion date on the approved training course diploma.

Sec. 21. Minnesota Statutes 1988, section 327.20, subdivision 1, is amended to read:

Subdivision 1. [RULES.] No domestic animals or house pets of occupants of manufactured home parks or recreational camping areas shall be allowed to run at large, or commit any nuisances within the limits of a manufactured home park or recreational camping area. Each manufactured home park or recreational camping area licensed under the provisions of sections 327.10, 327.11, 327.14 to 327.28 shall, among other things, provide for the following, in the manner hereinafter specified:

(1) A responsible attendant or caretaker shall be in charge of every manufactured home park or recreational camping area at all times, who shall maintain the park or area, and its facilities and equipment in a clean, orderly and sanitary condition. In any manufactured home park containing more than 50 lots, the attendant, caretaker, or other responsible park employee, shall be readily available at all times in case of emergency.

(2) All manufactured home parks shall be well drained and be located so that the drainage of the park area will not endanger any water supply. No waste water from manufactured homes or recreational camping vehicles shall be deposited on the surface of the ground. All sewage and other water carried wastes shall be discharged into a municipal sewage system whenever available. When a municipal sewage system is not available, a sewage disposal system acceptable to the state commissioner of health shall be provided.

(3) No manufactured home shall be located closer than three feet to the side lot lines of a manufactured home park, if the abutting property is improved property, or closer than ten feet to a public street or alley. Each individual site shall abut or face on a driveway or clear unoccupied space of not less than 16 feet in width, which space shall have unobstructed access to a public highway or alley. There shall be an open space of at least ten feet between the sides of adjacent manufactured homes including their attachments and at least three feet between manufactured homes when parked end to end. The space between manufactured homes may be used for the parking of motor vehicles and other property, if the vehicle or other property is parked at least ten feet from the nearest adjacent manufactured home position. The requirements of this paragraph shall not apply to recreational camping areas and variances may be granted by the state commissioner of health in manufactured home parks when the variance is applied for in writing and in the opinion of the commissioner the variance will not endanger the health, safety, and welfare of manufactured home park occupants.

(4) An adequate supply of water of safe, sanitary quality shall be furnished at each manufactured home park or recreational camping area. The source of the water supply shall first be approved by the state department of health. At least one water supply outlet shall be provided at convenient locations throughout the manufactured home park or recreational camping area.

(5) All plumbing shall be installed in accordance with the rules of the state commissioner of health and the provisions of the Minnesota plumbing code.

(6) In the case of a manufactured home park with less than ten manufactured homes, a plan for the sheltering or the safe evacuation to a safe place of shelter of the residents of the park in times of

severe weather conditions, such as tornadoes, high winds, and floods. The shelter or evacuation plan shall be developed with the assistance and approval of the municipality where the park is located and shall be posted at conspicuous locations throughout the park. Nothing in this paragraph requires the department of health to review or approve any shelter or evacuation plan developed by a park. Failure of a municipality to approve a plan submitted by a park shall not be grounds for action against the park by the department of health if the park has made a good faith effort to develop the plan and obtain municipal approval.

(7) A manufactured home park with ten or more manufactured homes, licensed prior to March 1, 1988, shall provide a safe place of shelter for park residents or a plan for the evacuation of park residents to a safe place of shelter within a reasonable distance of the park for use by park residents in times of severe weather, including tornadoes and high winds. The shelter or evacuation plan must be approved by the municipality by March 1, 1989. The municipality may require the park owner to construct a shelter if it determines that a safe place of shelter is not available within a reasonable distance from the park. A copy of the municipal approval and the plan shall be submitted by the park owner to the department of health. Failure of a municipality to approve a plan submitted by a park shall not be grounds for action against the park by the department of health if the park has made a good-faith effort to develop the plan and obtain municipal approval.

(8) A manufactured home park with ten or more manufactured homes, receiving a primary license after March 1, 1988, must provide the type of shelter required by section 327.205."

Page 11, lines 3 and 6, delete "2" and insert "7"

Page 11, after line 6, insert:

"\$104,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1991, for the implementation of sections 9 and 10."

Page 11, delete line 8, and insert:

"Minnesota Rules, parts 4650.0162 and 4650.0164 are repealed."

ReNUMBER the sections in sequence

Correct internal references

Delete the title and insert:

"A bill for an act relating to health; requiring a fee for an

application for a home care provider license; authorizing the commissioner to seek injunctive relief and use subpoenas in regulating home care providers; imposing requirements for disclosure of criminal convictions by home care providers; imposing a penalty for providing home care without a license; requiring public members in the mortuary science advisory council; allowing use of a trainee's name in the advertising or title of a funeral establishment; establishing a hearing instrument security fund; establishing a human services occupational account; appropriating money; amending Minnesota Statutes, 1988, sections 144.698, subdivision 1; 144.701; 144.702, subdivision 2, and by adding subdivisions; 144A.45, subdivision 2; 144A.46; 148.56, by adding a subdivision; 148B.27, subdivision 2; 148B.32, subdivision 2; 149.02; 149.06; 153A.13, subdivision 4; 153A.15, subdivision 3; 153A.16; 326.78, subdivision 2; and 327.20, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 144; 144A; 145; and 214; repealing Minnesota Rules, parts 4650.0162 and 4650.0164."

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1104, A bill for an act relating to Ramsey county; increasing the size of the personnel board; permitting the personnel director to issue certain subpoenas; amending Minnesota Statutes 1988, sections 383A.287, subdivision 2; and 383A.294, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 5, after the period insert "The subpoena shall be enforceable through the district court."

Page 2, after line 5, insert:

"Sec. 3. Minnesota Statutes 1988, section 383B.36, subdivision 2, is amended to read:

Subd. 2. [SUBPOENAS.] The board or director shall have the power to subpoena and to require the attendance of witnesses and the production of evidence and to administer oaths. ~~The board or director may apply to the district court for~~ An order of the board or director requiring attendance or production of evidence shall be enforceable through the district court.

Board hearings shall be conducted in an informal and impartial

manner in compliance with sections 383B.26 to 383B.42 and in accordance with procedures established by the board.

Sec. 4. Minnesota Statutes 1988, section 383C.048, is amended to read:

383C.048 [COMMISSION MAY SUBPOENA WITNESSES.]

In an investigation conducted by the county civil service commission or civil director they the commission or director shall have the power to subpoena and require the attendance of witnesses and the production by them of books and papers pertinent to the investigation and to administer oaths to such witnesses. A subpoena issued by the commission or director shall be enforceable through the district court.

Sec. 5. [594.01] [ENFORCEMENT OF SUBPOENAS.]

Whenever by law the power of subpoena is granted to an officer, agency, board, commission, department, council, committee, or other entity of state government, or any officer, governing body, committee, board, department, commission, agency, or other entity of any political subdivision of this state, the power of subpoena shall be enforceable only through the court of appropriate jurisdiction.

Page 2, line 6, delete "3" and insert "6"

Page 2, line 7, delete "This act takes" and insert "Sections 1 and 2 take"

Delete the title and insert:

"A bill for an act relating to county personnel boards and other state and local government bodies; increasing the size of the Ramsey county personnel board; permitting the director to issue subpoenas; providing for court enforcement of state and local government entity subpoena powers; amending Minnesota Statutes 1988, sections 383A.287, subdivision 2; 383A.294, by adding a subdivision; 383B.36, subdivision 2; and 383C.048; proposing coding for new law as Minnesota Statutes, chapter 594."

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1140, A bill for an act relating to real property;

appropriating money for grant-in-aid assistance to the Red Wing port authority to acquire lands for historic preservation and educational purposes.

Reported the same back with the following amendments:

Page 1, line 8, delete "Red Wing port authority" and insert "Minnesota Historical Society through the Goodhue county board"

Page 1, line 20, delete "Red Wing port authority" and insert "Goodhue county board"

Amend the title as follows:

Page 1, line 2, after "money" insert "to Minnesota Historical Society"

Page 1, line 3, delete "the Red Wing port authority" and insert "Goodhue county"

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

The report was adopted.

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

H. F. No. 1170, A bill for an act relating to human services; providing for eligibility changes in the children's health plan program; clarifying eligibility under the medical assistance program for pregnant women, infants, and children; authorizing the adoption of rules; amending Minnesota Statutes 1988, section 256.936, subdivisions 1, 2, and 4; proposing coding for new law in Minnesota Statutes, chapter 256B.

Reported the same back with the following amendments:

Page 2, line 1, after the first "services," insert "special education services,"

Page 4, line 9, delete "July" and insert "January" and after the period insert "However, a child enrolled in the children's health plan who reached or will reach age nine between the date of initial implementation of the children's health plan and January 1, 1990, remains eligible for the plan after the child's ninth birth date until January 1, 1990, if the child meets all other program requirements."

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1194, A bill for an act relating to insurance; requiring obligors to issue an insurance identification card; requiring a driver or owner to produce an insurance identification card, policy, or written statement; providing for administrative review; exempting certain vehicles; providing for the impoundment of registration plates; providing for a limited license in certain circumstances; defining terms; providing penalties; amending Minnesota Statutes 1988, sections 65B.67, subdivisions 2 and 4; 168.041, subdivisions 4, 4a, and by adding a subdivision; 169.09, subdivision 14; 171.29, subdivision 1; and 171.30, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 65B and 169; repealing Minnesota Statutes 1988, section 65B.481.

Reported the same back with the following amendments:

Page 1, delete line 31 and insert:

"(4) the make, model, and year of the vehicle being covered,"

Page 2, delete line 21 and insert:

"(4) the make, model, and year of the vehicle being covered,"

Page 3, line 13, delete "subdivision" and insert "section"

Page 3, line 17, after "causes" insert "or contributes to causing"

Page 6, line 34, after "card" insert " , as defined under section 65B.482, subdivision 2," and after "policy" insert " , as defined under section 65B.482, subdivision 4,"

Page 6, line 36, after "statement" insert " , as defined under section 65B.482, subdivision 3,"

Page 7, line 8, after the period insert "It is not a defense to service that a person failed to file a change of address with the post office or failed to notify the department of public safety of a change of name or address as required under section 171.11."

Page 7, line 22, after "send" insert "or provide"

Page 7, line 29, after the second "Notice" insert "by mail"

Page 8, line 11, before "Commercial" insert "Buses or other commercial vehicles operated by the metropolitan transit commission,"

Page 8, line 21, delete everything after "motorcycle"

Page 8, line 22, delete "vehicle or motorcycle"

Page 8, line 29, delete "65B.481" and insert "169.791"

Page 8, line 34, after "card" insert ", as defined under section 65B.482, subdivision 2,"

Page 8, line 35, after "policy" insert ", as defined under section 65B.482, subdivision 4,"

Page 8, line 36, after "statement" insert ", as defined under section 65B.482, subdivision 3,"

Page 9, line 13, after "send" insert "or provide"

Page 9, line 20, after "Notice" insert "by mail"

Page 12, line 12, before "Commercial" insert "Buses or other commercial vehicles operated by the metropolitan transit commission,"

Page 13, line 4, delete "and"

Page 13, line 5, delete "information" and after the period insert "An insurance company or its agent acting on its behalf, or an authorized person who releases the above information, whether oral or written, acting in good faith, is immune from any liability, civil or criminal."

Page 13, delete section 15

Renumber the remaining sections in sequence

Correct internal cross references

Amend the title as follows:

Page 1, line 13, delete "171.29, subdivision 1,"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1201, A bill for an act relating to the environment; regulating genetic engineering; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116C.

Reported the same back with the following amendments:

Page 1, delete lines 11 to 17, and insert:

"Subd. 3. [GENETIC ENGINEERING.] "Genetic engineering" means the introduction of new genetic material to an organism or the regrouping of an organism's genes using techniques or technology designed by humans. This does not include selective breeding, hybridization, or nondirected mutagenesis.

Subd. 4. [GENETICALLY ENGINEERED ORGANISM.] "Genetically engineered organism" means an organism derived from genetic engineering.

Subd. 5. [ORGANISM.] "Organism" means any animal, plant, bacterium, cyanobacterium, fungus, protist, or virus.

Subd. 6. [RELEASE.] "Release" means the placement or use of a genetically engineered organism outside a contained laboratory, greenhouse, building, structure, or other similar facility or under any other conditions not specifically determined by the board to be adequately contained."

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

The report was adopted.

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

H. F. No. 1216, A bill for an act relating to state lands; conveying title to state land in St. Cloud.

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

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1221, A bill for an act relating to education; allowing school districts to be considered providers under the state medical assistance plan; proposing coding for new law in Minnesota Statutes, chapter 124.

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

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1263, A bill for an act relating to taxation; allowing a special levy to city of White Bear Lake for certain reserve funds; amending Minnesota Statutes 1988, sections 275.50, subdivision 5, and by adding a subdivision; and 471.572, subdivision 2.

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

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1267, A bill for an act relating to Anoka county; permitting the appointment of the auditor, recorder, and treasurer; authorizing the reorganization of county offices.

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

The report was adopted.

Skoglund from the Committee on Insurance to which was referred:

H. F. No. 1283, A bill for an act relating to insurance; property and casualty; regulating policy provisions, forms, nonrenewals, coverages; regulating trade practices in these and other lines; regulating the Minnesota joint underwriting association; making certain technical changes; amending Minnesota Statutes 1988, sections 60A.02, by adding a subdivision; 60A.06, by adding a subdivision; 60A.08, by

adding a subdivision; 60A.198, subdivision 3; 62I.02, subdivision 2; 62I.16, subdivision 3; 65A.29, subdivision 8, and by adding subdivisions; 65A.33, subdivision 3; 65B.15, subdivision 1; 65B.44, subdivision 3; 65B.47, subdivision 1; 65B.525, subdivision 1; 72A.20, subdivision 17, and by adding subdivisions; 72A.201, subdivision 5, and by adding subdivisions; and 79.251, by adding a subdivision; repealing Minnesota Rules, part 2780.2700.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 60A.02, is amended by adding a subdivision to read:

Subd. 2a. [CONTINUED.] An insurance policy that is issued for a term in excess of one year or that has no specified term or that is designated as being continuous is "continued" each year on the anniversary date of the issuance of the policy.

Sec. 2. Minnesota Statutes 1988, section 60A.08, is amended by adding a subdivision to read:

Subd. 13. [REDUCTION OF LIMITS BY COSTS OF DEFENSE PROHIBITED.] No insurer shall issue or renew a policy of liability insurance in this state, other than professional liability insurance or insurance policies issued to large commercial risks, that reduces the limits of liability stated in the policy by the costs of legal defense.

For purposes of this subdivision, "large commercial risks" means an insured whose gross annual revenues in the fiscal year preceding issuance of the policy were at least \$10,000,000.

Sec. 3. Minnesota Statutes 1988, section 60A.17, subdivision 6c, is amended to read:

Subd. 6c. [REVOCATION OR SUSPENSION OF LICENSE.] (a) The commissioner may by order suspend or revoke an insurance agent's or agency's license issued to a natural person or impose a civil penalty appropriate to the offense, not to exceed \$5,000 upon that licensee, or both, if, after notice and hearing, the commissioner finds as to that licensee any one or more of the following conditions:

(1) any materially untrue statement in the license application;

(2) any cause for which issuance of the license could have been refused had it then existed and been known to the commissioner at the time of issuance;

(3) violation of, or noncompliance with, any insurance law or violation of any rule or order of the commissioner or of a commissioner of insurance of another state or jurisdiction;

(4) obtaining or attempting to obtain any license through misrepresentation or fraud;

(5) improperly withholding, misappropriating, or converting to the licensee's own use any money belonging to a policyholder, insurer, beneficiary, or other person, received by the licensee in the course of the licensee's insurance business;

(6) misrepresentation of the terms of any actual or proposed insurance contract;

(7) conviction of a felony or of a gross misdemeanor or misdemeanor involving moral turpitude;

(8) that the licensee has been found guilty of any unfair trade practice, as defined in chapters 60A to 72A, or of fraud;

(9) that in the conduct of the agent's affairs under the license, the licensee has used fraudulent, coercive, or dishonest practices, or the licensee has been shown to be incompetent, untrustworthy, or financially irresponsible;

(10) that the agent's license has been suspended or revoked in any other state, province, district, territory, or foreign country;

(11) that the licensee has forged another's name to an application for insurance; or

(12) that the licensee has violated subdivision 6b.

(b) The commissioner may by order suspend or revoke an insurance agent's or insurance agency's license issued to a partnership or corporation or impose a civil penalty ~~not to exceed \$5,000 as provided for in section 45.027, subdivision 6,~~ upon that licensee, or both, if, after notice and hearing, the commissioner finds as to that licensee, or as to any partner, director, shareholder, officer, or employee of that licensee, any one or more of the conditions set forth in paragraph (a).

(c) A revocation of a license shall prohibit the licensee from making a new application for a license for at least one year. Further, the commissioner may, as a condition of relicensure, require the applicant to file a reasonable bond for the protection of the citizens of this state, which bond shall be maintained by the licensee in full force for a period of five years immediately following issuance of the license, unless the commissioner at the commissioner's discretion

shall after two years permit the licensee to sooner terminate the maintenance filing of the bond.

(d) The commissioner may, in the manner prescribed by chapter 14, impose a civil penalty not to exceed \$5,000 upon a person whose license has lapsed, or been suspended, revoked, or otherwise terminated, for engaging in conduct prohibited by paragraph (a) before, during, or after the period of licensure.

Sec. 4. Minnesota Statutes 1988, section 60A.198, subdivision 3, is amended to read:

Subd. 3. [PROCEDURE FOR OBTAINING LICENSE.] A person licensed as an agent in this state pursuant to other law may obtain a surplus lines license by doing the following:

(a) filing an application in the form and with the information the commissioner may reasonably require to determine the ability of the applicant to act in accordance with sections 60A.195 to 60A.209;

(b) maintaining an agent's license in this state;

(c) delivering to the commissioner a financial guarantee bond from a surety acceptable to the commissioner for the greater of the following:

(1) \$5,000; or

(2) the largest semiannual surplus lines premium tax liability incurred by the applicant in the immediately preceding five years; and

(d) agreeing to file with the commissioner of revenue no later than February 15 and August 15 annually, a sworn statement of the charges for insurance procured or placed and the amounts returned on the insurance canceled under the license for the preceding six-month period ending December 31 and June 30 respectively, and at the time of the filing of this statement, paying the commissioner a tax on premiums equal to three percent of the total written premiums less cancellations; and

(e) annually paying a fee as prescribed by section 60A.14, subdivision 1, paragraph (c), clause ~~(11)~~ (14).

Sec. 5. Minnesota Statutes 1988, section 62I.02, subdivision 2, is amended to read:

Subd. 2. [DIRECTOR.] The association shall have a board of directors composed of 11 persons chosen annually as follows: five persons elected by members of the association at a meeting called by

the commissioner; three public members, as defined in section 214.02, appointed by the commissioner; and three members, appointed by the commissioner representing groups to whom coverage has been extended by the association. The terms of the members shall be four years. Terms may be staggered so that no more than six members are appointed or elected every two years. Members may serve until their successors are appointed or elected. If at any time no coverage is currently extended by the association, then either additional public members may be appointed to fill these three positions or, at the option of the commissioner, representatives from groups who had previously been covered by the association may serve as directors.

Sec. 6. Minnesota Statutes 1988, section 62I.16, subdivision 3, is amended to read:

Subd. 3. [SUPERVISION.] All money paid into the fund shall be held in trust escrow by the ~~corporate trustee escrow~~ administrator selected by the board of directors. The corporate trustee escrow administrator may invest the money held in trust escrow subject to the approval of the board. All investment income shall be credited to the fund. All expenses of the administration of the fund shall be charged against the fund. The money held in trust escrow shall be used solely for the purpose of discharging when due any retrospective premium charges payable by policyholders and any retrospective premium refunds payable to policyholders under the group retrospective rating plan. Payment of retrospective premium charges shall be made upon certification of the amount due. If all money accruing to the fund is exhausted in payment of retrospective premium charges, all liability and obligations of the association's policyholders with respect to the payment of retrospective premium charges shall terminate and shall be conclusively presumed to have been discharged. Any stabilization reserve fund charges from a particular policy year not used to pay retrospective premiums must be returned to policyholders after all claims and expense obligations from that particular policy year are satisfied.

Sec. 7. Minnesota Statutes 1988, section 65A.29, subdivision 8, is amended to read:

Subd. 8. [RULES.] (a) The commissioner may adopt rules pursuant to chapter 14, to specify the grounds for nonrenewal, reduction in limits of coverage, or elimination of coverage of a homeowner's policy. The rules must limit the grounds to the following factors:

(a) (1) reasons stated for cancellation in section 65A.01, subdivision 3a;

(b) (2) reasons stated in section 72A.20, subdivision 13;

(c) (3) insured's loss experience, not to include natural causes; and

(d) (4) other factors deemed reasonable by the commissioner.

The rules may give consideration to the form and content of the termination notice to the insured, a statement as to what constitutes receipt of the termination notice, and the procedure by which the insured may appeal a termination notice.

The rules adopted under this subdivision may provide for imposition of a monetary penalty not greater than \$500 per occurrence upon insurers who are found to be in violation of the law or the rules.

(b) In addition to any rules adopted under this subdivision, an insured may appeal any nonrenewal under this section to the commissioner of commerce. If the commissioner finds that the nonrenewal is unjustified, arbitrary, or capricious, the commissioner shall order the insurer to reinstate the insured's policy. The commissioner's order may be appealed pursuant to chapter 14. The insured's policy shall continue in force pending the conclusion of the appeal to the commissioner. The insurer must notify the insured of the insured's right to appeal the nonrenewal to the commissioner in the notice of nonrenewal required under subdivision 7.

Sec. 8. Minnesota Statutes 1988, section 65A.29, is amended by adding a subdivision to read:

Subd. 11. [NONRENEWAL PLAN.] Every insurer shall establish a plan that sets out the minimum number and amount of claims during an experience period that may result in a nonrenewal. A clear and concise written statement of this plan must be provided to the insured at the time claim forms and instructions are provided to the insured or a claimant under section 72A.201, subdivision 4.

The plan must, at a minimum, comply with the requirements of section 65A.29, subdivision 8, and the rules adopted by the commissioner.

Sec. 9. Minnesota Statutes 1988, section 65A.29, is amended by adding a subdivision to read:

Subd. 12. [DEFINITION.] For purposes of this section, "homeowner's insurance" includes mobile home insurance.

Sec. 10. Minnesota Statutes 1988, section 65A.33, subdivision 3, is amended to read:

Subd. 3. "Property or liability insurance" means the coverage against direct loss to real or tangible personal property at a fixed location that is provided in the standard fire policy, extended coverage endorsement, homeowners insurance, as defined in section 65A.27, subdivision 4, cooperative housing insurance, condominium

insurance, builders risk, and such vandalism and malicious mischief insurance and such other classes of insurance as may be added to the program with respect to said property by amendment as hereinafter provided. Property or liability insurance does not include automobile, ~~farm~~, commercial liability, or such manufacturing risks as may be excluded by the commissioner.

Sec. 11. Minnesota Statutes 1988, section 65B.15, subdivision 1, is amended to read:

Subdivision 1. No cancellation or reduction in the limits of liability of coverage during the policy period of any policy shall be effective unless notice thereof is given and unless based on one or more reasons stated in the policy which shall be limited to the following:

1. Nonpayment of premium; or
2. The policy was obtained through a material misrepresentation;
or
3. Any insured made a false or fraudulent claim or knowingly aided or abetted another in the presentation of such a claim; or
4. The named insured failed to disclose fully motor vehicle accidents and moving traffic violations of the named insured for the preceding 36 months if called for in the written application; or
5. The named insured failed to disclose in the written application any requested information necessary for the acceptance or proper rating of the risk; or
6. The named insured knowingly failed to give any required written notice of loss or notice of lawsuit commenced against the named insured, or, when requested, refused to cooperate in the investigation of a claim or defense of a lawsuit; or
7. The named insured or any other operator who either resides in the same household, ~~unless the other operator is identified by name in any other policy as an insured~~; or customarily operates an automobile insured under such policy, unless the other operator is identified as a named insured in another policy as an insured:

(a) has, within the 36 months prior to the notice of cancellation, had that person's driver's license under suspension or revocation; or

(b) is or becomes subject to epilepsy or heart attacks, and such individual does not produce a written opinion from a physician testifying to that person's medical ability to operate a motor vehicle

safely, such opinion to be based upon a reasonable medical probability; or

(c) has an accident record, conviction record (criminal or traffic), physical condition or mental condition, any one or all of which are such that the person's operation of an automobile might endanger the public safety; or

(d) has been convicted, or forfeited bail, during the 24 months immediately preceding the notice of cancellation for criminal negligence in the use or operation of an automobile, or assault arising out of the operation of a motor vehicle, or operating a motor vehicle while in an intoxicated condition or while under the influence of drugs; or leaving the scene of an accident without stopping to report; or making false statements in an application for a driver's license, or theft or unlawful taking of a motor vehicle; or

(e) has been convicted of, or forfeited bail for, one or more violations within the 18 months immediately preceding the notice of cancellation, of any law, ordinance, or rule which justify a revocation of a driver's license.

8. The insured automobile is:

(1) so mechanically defective that its operation might endanger public safety; or

(2) used in carrying passengers for hire or compensation, provided however that the use of an automobile for a car pool shall not be considered use of an automobile for hire or compensation; or

(3) used in the business of transportation of flammables or explosives; or

(4) an authorized emergency vehicle; or

(5) subject to an inspection law and has not been inspected or, if inspected, has failed to qualify within the period specified under such inspection law; or

(6) substantially changed in type or condition during the policy period, increasing the risk substantially, such as conversion to a commercial type vehicle, a dragster, sports car or so as to give clear evidence of a use other than the original use.

Sec. 12. Minnesota Statutes 1988, section 65B.44, subdivision 3, is amended to read:

Subd. 3. [DISABILITY AND INCOME LOSS BENEFITS.] Disability and income loss benefits shall provide compensation for 85

percent of the injured person's loss of present and future gross income from inability to work proximately caused by the nonfatal injury subject to a maximum of \$250 per week. Loss of income includes the costs incurred by a self-employed person to hire substitute employees to perform tasks which are necessary to maintain the income of the injured person, which are normally performed by the injured person, and which cannot be performed because of the injury.

If the injured person is unemployed at the time of injury and is receiving or is eligible to receive unemployment benefits under chapter 268, but the injured person loses eligibility for those benefits because of inability to work caused by the injury, disability and income loss benefits shall provide compensation for the lost benefits in an amount equal to the unemployment benefits which otherwise would have been payable, subject to a maximum of \$250 per week.

Compensation under this subdivision shall be reduced by any income from substitute work actually performed by the injured person or by income the injured person would have earned in available appropriate substitute work which the injured person was capable of performing but unreasonably failed to undertake.

For the purposes of this section "inability to work" means disability which prevents the injured person from engaging in any substantial gainful occupation or employment on a regular basis, for wage or profit, for which the injured person is or may by training become reasonably qualified. If the injured person returns to employment and is unable by reason of the injury to work continuously, compensation for lost income shall be reduced by the income received while the injured person is actually able to work. The weekly maximums may not be prorated to arrive at a daily maximum, even if the injured person does not incur loss of income for a full week.

For the purposes of this section, an injured person who is "unable by reason of the injury to work continuously" includes, but is not limited to, a person who misses time from work, including reasonable travel time, and loses income, vacation, or sick leave benefits, to obtain medical treatment for an injury arising out of the maintenance or use of a motor vehicle.

Sec. 13. Minnesota Statutes 1988, section 65B.525, subdivision 1, is amended to read:

Subdivision 1. The supreme court and the several courts of general trial jurisdiction of this state shall by rules of court or other constitutionally allowable device, provide for the mandatory submission to binding arbitration of all cases at issue where the claim at the commencement of arbitration is in an amount of \$5,000 or less against any insured's reparation obligor for no-fault benefits or comprehensive or collision damage coverage.

Sec. 14. Minnesota Statutes 1988, section 72A.20, subdivision 17, is amended to read:

Subd. 17. [RETURN OF PREMIUMS.] (a) Refusing, upon surrender of an individual policy of life insurance, to refund to the estate of the insured owner all unearned premiums paid on the policy covering the insured as of the time of the insured's death if the unearned premium is for a period of more than one month.

The insurer may deduct from the premium any previously accrued claim for loss or damage under the policy.

For the purposes of this section, a premium is unearned during the period of time the insurer has not been exposed to any risk of loss.

(b) Refusing, upon termination or cancellation of a policy of automobile insurance under section 65B.14, subdivision 2, or a policy of homeowner's insurance under section 65A.27, subdivision 4, or a policy of accident and sickness insurance under section 62A.01, or a policy of comprehensive health insurance under chapter 62E, to refund to the insured all unearned premiums paid on the policy covering the insured as of the time of the termination or cancellation if the unearned premium is for a period of more than one month.

The insurer may deduct from the premium any previously accrued claim for loss or damage under the policy. This subdivision does not apply to policies of insurance providing coverage only for motorcycles or other seasonally rated or limited use vehicles where the rate is reduced to reflect seasonal or limited use.

For purposes of this section, a premium is unearned during the period of time the insurer has not been exposed to any risk of loss. Except for premiums for motorcycle coverage or other seasonally rated or limited use vehicles where the rate is reduced to reflect seasonal or limited use, the unearned premium is determined by multiplying the premium by the fraction that results from dividing the period of time the policy has been in force by the period of time for which the premium was paid and subtracting the result from the total premium paid.

The owner or insured may cancel a policy referred to in this section at any time during the policy period. This provision supercedes any inconsistent provision of law on any inconsistent policy provision.

Sec. 15. Minnesota Statutes 1988, section 72A.20, is amended by adding a subdivision to read:

Subd. 20. No insurance company doing business in this state shall engage in any selection or underwriting practice that is arbitrary, capricious, or unfairly discriminatory.

Sec. 16. Minnesota Statutes 1988, section 72A.20, is amended by adding a subdivision to read:

Subd. 21. [LIMITATIONS ON HEALTH CARE PROVIDERS.] No insurer providing benefits under the Minnesota no-fault automobile insurance act or a plan authorized by sections 471.617 or 471.98 to 471.982 may limit the type of licensed health care provider who may provide treatment for covered conditions under a policy so long as the services provided are within the scope of licensure for the provider. No insurer may exclude a specific method of treatment for a covered condition if that exclusion has the effect of excluding a specific type of licensed health care provider from treating a covered condition to a greater degree than other licensed health care providers.

This subdivision does not limit the right of an insurer to contract with individual members of any type of licensed health care provider to the exclusion of other members of the group, nor shall it limit the right to the insurer to exclude coverage for a type of treatment if the insurer can show the treatment is not medically necessary or is not medically appropriate.

Sec. 17. Minnesota Statutes 1988, section 72A.20, is amended by adding a subdivision to read:

Subd. 22. [DISCRIMINATION IN AUTOMOBILE INSURANCE POLICIES.] (a) No insurer that offers an automobile insurance policy in this state shall:

(1) use the failure of the applicant to have an automobile policy in force during any period of time before the application is made as an underwriting standard or guideline; or

(2) deny coverage to a policyholder for the same reason.

This provision does not apply if the applicant was required by law to maintain insurance coverage and failed to do so.

(b) No insurer that offers an automobile insurance policy in this state shall:

(1) use the employment status of the applicant as an underwriting standard or guideline; or

(2) deny coverage to a policyholder for the same reason.

(c) No insurer that offers an automobile insurance policy in this state shall:

(1) use the applicant's status as a tenant, as the term is defined in section 566.18, subdivision 2, as an underwriting standard or guideline; or

(2) deny coverage to a policyholder for the same reason.

Sec. 18. Minnesota Statutes 1988, section 72A.201, subdivision 5, is amended to read:

Subd. 5. [STANDARDS FOR FAIR SETTLEMENT OFFERS AND AGREEMENTS.] The following acts by an insurer, an adjuster, a self-insured, or a self-insurance administrator constitute unfair settlement practices:

(1) making any partial or final payment, settlement, or offer of settlement, which does not include an explanation of what the payment, settlement, or offer of settlement is for;

(2) making an offer to an insured of partial or total settlement of one part of a claim contingent upon agreement to settle another part of the claim;

(3) refusing to pay one or more elements of a claim by an insured for which there is no good faith dispute;

(4) threatening cancellation, rescission, or nonrenewal of a policy as an inducement to settlement of a claim;

(5) notwithstanding any inconsistent provision of section 65A.01, subdivision 3, failing to issue payment for any amount finally agreed upon in settlement of all or part of any claim within five business days from the receipt of the agreement by the insurer or from the date of the performance by the claimant of any conditions set by such agreement, whichever is later;

(6) failing to inform the insured of the policy provision or provisions under which payment is made;

(7) settling or attempting to settle a claim or part of a claim with an insured under actual cash value provisions for less than the value of the property immediately preceding the loss, including all applicable taxes and license fees. In no case may an insurer be required to pay an amount greater than the amount of insurance;

(8) except where limited by policy provisions, settling or offering to settle a claim or part of a claim with an insured under replacement value provisions for less than the sum necessary to replace the

damaged item with one of like kind and quality, including all applicable taxes, license, and transfer fees;

(9) reducing or attempting to reduce for depreciation any settlement or any offer of settlement for items not adversely affected by age, use, or obsolescence;

(10) reducing or attempting to reduce for betterment any settlement or any offer of settlement unless the resale value of the item has increased over the preloss value by the repair of the damage.

Sec. 19. Minnesota Statutes 1988, section 72A.201, is amended by adding a subdivision to read:

Subd. 11. [DISCLOSURE MANDATORY.] An insurer must disclose the coverage and limits of an insurance policy within 30 days after the information is requested in writing by a claimant.

Sec. 20. Minnesota Statutes 1988, section 72A.201, is amended by adding a subdivision to read:

Subd. 12. [PREJUDGMENT INTEREST.] If a judgment is entered against an insured, the principal amount of which is within the applicable policy limits, the insurer is responsible for the insured's share of the costs, disbursements, and prejudgment interest, as determined under section 549.09, included in the judgment even if the total amount of the judgment is in excess of the applicable policy limits.

Sec. 21. Minnesota Statutes 1988, section 79.251, is amended by adding a subdivision to read:

Subd. 6. [AGENTS.] No person shall be an agent for the assigned risk plan unless the person has been appointed an agent by the plan under a written agreement. This subdivision does not prohibit a person licensed as an insurance agent under section 60A.17 from submitting an application for coverage to the assigned risk plan or receiving a fee from the assigned risk plan for submitting the application. However, the agent is not an agent of the assigned risk plan for purposes of state law.

Sec. 22. [REPEALER.]

(a) Minnesota Statutes 1988, section 62I.12, is repealed.

(b) Minnesota Rules, part 2780.2700, is repealed.

Sec. 23. [REPORT.]

The department of commerce shall, in a report to the legislature, review any selection or underwriting process used by insurance companies and the supporting data, actuarial projections, or claims experience established by insurance companies as required by Minnesota Statutes, section 72A.20, subdivision 19. The report must review the effect to consumers in this state of the rates charged, the availability of coverages, and other factors the commissioner considers appropriate.

The report is limited to a review of the following coverages: automobile; life; health; and other coverages the commissioner considers appropriate.

The report shall be submitted to the legislature by January 15, 1991.

Sec. 24. [EFFECTIVE DATES.]

Sections 1, 3 to 7, and 10 to 23 are effective the day following final enactment.

Sections 2 and 9 are effective for policies issued or renewed on or after August 1, 1989.

Section 8 is effective August 1, 1989."

Delete the title and insert:

"A bill for an act relating to insurance; property and casualty; regulating policy provisions, forms, nonrenewals, coverages; regulating trade practices in these and other lines; regulating the Minnesota joint underwriting association; making certain technical changes; amending Minnesota Statutes 1988, sections 60A.02, by adding a subdivision; 60A.08, by adding a subdivision; 60A.17, subdivision 6c; 60A.198, subdivision 3; 62I.02, subdivision 2; 62I.16, subdivision 3; 65A.29, subdivision 8, and by adding subdivisions; 65A.33, subdivision 3; 65B.15, subdivision 1; 65B.44, subdivision 3; 65B.525, subdivision 1; 72A.20, subdivision 17, and by adding subdivisions; 72A.201, subdivision 5, and by adding subdivisions; and 79.251, by adding a subdivision; repealing Minnesota Statutes 1988, section 62I.12; and Minnesota Rules, part 2780.2700."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1308, A bill for an act relating to state government; extending the expiration date on certain advisory councils; amending Minnesota Statutes 1988, section 15.059, subdivision 5; repealing Minnesota Statutes 1988, section 84B.11, subdivision 4.

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

The report was adopted.

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

H. F. No. 1311, A bill for an act relating to state employees; providing a policy prohibiting racial harassment; requiring discipline for employees who engage in racial harassment; amending Minnesota Statutes 1988, section 43A.01, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [15.85] [DISCIPLINE FOR RACIAL HARASSMENT.]

It is the policy of this state that each public employee has the right to work in an environment free from harassment based on race or disability and that any public employee who harasses another public employee because of disability, race, creed, color, or national origin will be subject to disciplinary action, including discharge.”

Delete the title and insert:

“A bill for an act relating to public employees; providing a policy prohibiting harassment based on race or disability; requiring discipline for employees who engage in harassment; proposing coding for new law in Minnesota Statutes, chapter 15.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1330, A bill for an act relating to agriculture; changing

the dairy industry checkoff rate; amending Minnesota Statutes 1988, section 17.59, by adding a subdivision.

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

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1352, A bill for an act relating to intoxicating liquor; authorizing the city of Blaine to issue one additional on-sale license.

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

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 1386, A bill for an act relating to economic development; transferring programs under the Minnesota agricultural and economic development board to the department of trade and economic development; changing the governing structure of the certified development company; transferring program responsibilities for the allocation of bonding authority to the department of finance; eliminating certain reporting requirements; amending Minnesota Statutes 1988, sections 41A.01; 41A.02, subdivisions 7a, 15, 16, and by adding subdivisions; 41A.021; 41A.022; 41A.023; 41A.03, subdivision 3; 41A.035; 41A.036, subdivisions 1, 4, 5, and 6; 41A.04; 41A.05, subdivisions 1, 2, 3, and 4; 41A.051; 41A.06, subdivisions 2, 4, and 5; 41A.07; 41A.08; 469.175, subdivision 2; and 474A.02, subdivision 5a; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1988, sections 41A.02, subdivision 3; 41A.065; and 469.012, subdivision 5.

Reported the same back with the following amendments:

Page 18, after line 25, insert:

"Sec. 27. Minnesota Statutes 1988, section 116J.64, subdivision 7, is amended to read:

Subd. 7. An Indian desiring a loan for the purpose of starting a business enterprise, expanding an existing business, or for technical and management assistance, shall make application to the Indian

affairs council. The Indian affairs council shall prescribe the necessary forms and advise the prospective borrower as to the conditions under which the application may be expected to receive favorable consideration. The application shall be forwarded to the appropriate tribal council, if it is participating in the program, for approval or disapproval, and shall be in conformity with the plans submitted by said tribal councils. If the tribal council is not participating in the program, the Indian affairs council may directly administer the loan. If the application is approved, the Indian affairs council shall forward the application, together with all relevant documents pertinent thereto, to the commissioner of finance, who shall draw a warrant in favor of the applicable tribal council or the Indian affairs council, if it is administering the loan, with appropriate notations identifying the borrower. The tribal council or the Indian affairs council, if it is administering the loan, shall thereafter reimburse suppliers and vendors for purchases of equipment, real estate and inventory made by the borrower pursuant to the conditions or guidelines established by the Indian affairs council. The tribal council or the Indian affairs council, if it is administering the loan, shall maintain records of transactions for each borrower in a manner consistent with good accounting practice. Simple interest at two percent of the amount of the debt owed shall be charged. When any portion of a debt is repaid, the tribal council or the Indian affairs council, if it is administering the loan, shall remit the amount so received plus interest paid thereon to the state treasurer through the Indian affairs council. The amount so received shall be credited to the Indian business loan account. The tribal council or the Indian affairs council, if it is administering the loan, shall secure a fidelity bond from a surety company, in favor of the state treasurer, in an amount equal to the maximum amount to the credit of its loan account during the fiscal year. On the placing of a loan, additional money equal to ten percent of the total amount made available to any tribal council or the Indian affairs council, if it is administering the loan, for loans during the fiscal year shall be paid to the council prior to December 31 for the purpose of financing administrative costs."

Page 22, after line 16, insert:

"Sec. 31. Minnesota Statutes 1988, section 474A.02, subdivision 6, is amended to read:

Subd. 6. [DEPARTMENT; DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT.] "Department" means the department of trade and economic development finance."

Page 22, line 29, delete "27" and insert "28"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon insert "changing requirements for loans to Indians;"

Page 1, line 15, after "41A.08;" insert "116J.64, subdivision 7;"

Page 1, line 16, delete "subdivision 5a" and insert "subdivisions 5a and 6"

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

The report was adopted.

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

H. F. No. 1396, A bill for an act relating to natural resources; promoting Minnesota horticultural peat; appropriating money.

Reported the same back with the following amendments:

Page 1, line 6, delete "\$790,000" and insert "\$390,000"

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

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 1421, A bill for an act relating to surplus United States government property; directing the commissioner of natural resources to seek acquisition of certain surplus property of the United States government; directing the commissioner to lease the property to a nonprofit organization for development as housing for certain homeless veterans and their families.

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1422, A bill for an act relating to agriculture; establishing an agricultural landlord rental incentive program under the

rural finance authority; authorizing certain payments to owners of farmland; redirecting distributions of certain unclaimed property; appropriating money; amending Minnesota Statutes 1988, section 308.12, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 41B.

Reported the same back with the following amendments:

Page 2, line 18, after "landowner" insert ", for no more than five years,"

Page 2, line 20, delete the comma and insert a semicolon

Page 2, line 22, before the period insert "per year"

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

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1435, A bill for an act relating to liquor; authorizing issuance of a certain on-sale license in Todd county.

Reported the same back with the following amendments:

Page 1, line 9, after "on-sale" insert "intoxicating"

Page 1, line 10, delete "lesser" and after "capacity" insert "of at least 50 persons"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

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

H. F. No. 1452, A bill for an act relating to natural resources; providing for a deficiency in the appropriation for emergency deer feeding; appropriating money.

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

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 1456, A resolution memorializing the President, Congress, and the director of the United States General Services Administration to arrange for prompt lease of certain surplus United States government properties to a nonprofit organization for use as housing for homeless, near homeless, and displaced veterans and their families.

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1471, A bill for an act relating to agriculture; authorizing the commissioner to investigate cheese marketing arrangements; amending Minnesota Statutes 1988, section 17.03, by adding a subdivision.

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1472, A resolution memorializing the President and Congress to assure fair treatment for Minnesota dairy farmers.

Reported the same back with the following amendments:

Page 1, line 16, delete "18,500" and insert "16,300"

Page 2, line 32, delete "\$15,000" and insert "\$30,753"

Page 3, line 17, delete "and" and insert "Now, Therefore,"

Page 3, delete lines 18 to 23

Page 3, line 30, delete "produced in the Upper Midwest" and insert "be made uniform across the United States."

Be It Further Resolved, that the minimum support price for milk"

Page 3, line 31, delete "\$13.50" and insert "\$16.08"

Page 3, line 32, delete "\$13.50" and insert "\$16.08"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 108, A bill for an act relating to natural resources; authorizing fees for special hunts; amending Minnesota Statutes 1988, section 97A.401, subdivision 4.

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

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

S. F. No. 114, A bill for an act relating to the town of St. Augusta; authorizing the establishment of a detached banking facility under certain conditions.

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

The report was adopted.

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

S. F. No. 192, A bill for an act relating to natural resources; increasing certain limits on security in lieu of bond for forestry development projects; amending Minnesota Statutes 1988, section 574.264, subdivision 1.

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

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

S. F. No. 203, A bill for an act relating to intoxicating liquor; authorizing an on-sale liquor license for the Minneapolis convention center, the Orpheum Theatre, and the State Theatre; amending Minnesota Statutes 1988, section 340A.404, subdivision 2; repealing Laws 1973, chapter 505.

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

The report was adopted.

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

S. F. No. 271, A bill for an act relating to game and fish; contents of firearms safety course for young hunters; amending Minnesota Statutes 1988, section 97B.015, subdivision 1.

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

The report was adopted.

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

S. F. No. 332, A bill for an act relating to game and fish; open season for walleyed pike on the Rainy River; amending Minnesota Statutes 1988, section 97C.403, subdivision 3.

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

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

S. F. No. 681, A bill for an act relating to housing; changing terminology in the temporary housing demonstration program; extending the authorized duration of transitional housing; providing for an annual report to the legislature; amending Minnesota Statutes 1988, section 268.38, subdivisions 1, 2, 4, 8, 11, and 12.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 159, 169, 212, 296, 438, 501, 505, 528, 611, 719, 740, 832, 955, 999, 1009, 1029, 1041, 1061, 1077, 1104, 1194, 1216, 1267, 1283, 1308, 1311, 1330, 1352, 1421, 1435, 1456, 1471 and 1472 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 916, 382, 163, 831, 108, 114, 192, 203, 271, 332 and 681 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Clark, Boo, Otis and Anderson, R., introduced:

H. F. No. 1519, A bill for an act relating to agriculture; requiring the labeling of paddy-grown wild rice and natural wild rice; establishing an Indian wild rice promotion council; providing penalties; appropriating money; amending Minnesota Statutes 1988, section 30.49; proposing coding for new law in Minnesota Statutes, chapter 30.

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

Murphy introduced:

H. F. No. 1520, A bill for an act relating to taxation; extending the time for holding tax exempt economic development property for the city of Hermantown; amending Laws 1988, chapter 719, article 19, sections 31 and 38.

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

Lasley, McEachern, Jennings and Onnen introduced:

H. F. No. 1521, A bill for an act relating to utilities; providing for extended area telephone service in the metropolitan area.

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

Nelson, C.; Brown; Redalen; Dauner and Wenzel introduced:

H. F. No. 1522, A bill for an act relating to agriculture; providing for arbitration of seed claims; proposing coding for new law in Minnesota Statutes, chapter 21.

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

Schreiber, Jacobs, Pauly, Scheid and Bennett introduced:

H. F. No. 1523, A bill for an act relating to taxation; income; providing indexing of tax brackets for taxable years beginning after December 31, 1988; amending Minnesota Statutes 1988, section 290.06, subdivision 2d.

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

Carruthers; Johnson, A.; McGuire and Pauly introduced:

H. F. No. 1524, A bill for an act relating to education; providing for cost of living differential revenue; appropriating money; amending Minnesota Statutes 1988, section 124A.22, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 124A.

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

Conway introduced:

H. F. No. 1525, A bill for an act relating to veterans; providing for establishment of a veterans home in Waseca; proposing coding for new law in Minnesota Statutes, chapter 198.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Beard introduced:

H. F. No. 1526, A bill for an act relating to the organization and operation of state government; requiring review of agency rules by committees of the senate; proposing coding for new law in Minnesota Statutes, chapter 14.

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

Rice, Begich, Battaglia, Beard and Sarna introduced:

H. F. No. 1527, A bill for an act relating to labor; making collective bargaining agreements binding upon transferee employers; defining transferee employer; creating certain exclusions; requiring the disclosure of collective bargaining agreements; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 179.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Rodosovich and Vanasek introduced:

H. F. No. 1528, A bill for an act relating to human services; designating the Faribault Regional Center to provide special services to certain persons who are developmentally disabled, mentally ill or brain-injured; expanding skilled nursing care at the facility; authorizing special crisis and respite care; expanding the authority of regional centers and state nursing homes to enter into shared services agreements; authorizing regional centers and state nursing homes to provide professional services for a fee; creating a revolving fund; authorizing establishment of additional state-operated community programs; appropriating money; amending Minnesota Statutes 1988, sections 245.0311; 245.0312; 246.50, subdivisions 3, 4, and by adding a subdivision; 246.57; 252.50; and 253.015; proposing coding for new law in Minnesota Statutes, chapter 246; proposing coding for new law as Minnesota Statutes, chapter 252B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Gruenes, Stanius, Jennings and Forsythe introduced:

H. F. No. 1529, A bill for an act relating to human services; adopting the asset limitations used by the veterans homes for purposes of determining medical assistance eligibility for veterans; amending Minnesota Statutes 1988, section 256B.056, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lieder; Frederick; Anderson, G.; Bennett and Sparby introduced:

H. F. No. 1530, A bill for an act relating to commerce; regulating business relations between manufacturers of heavy and utility equipment and independent retail dealers of those products; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

Solberg, Begich, Quinn and Rukavina introduced:

H. F. No. 1531, A bill for an act relating to utilities; including wholesale electric cooperative associations under the definition of public utility for purposes of regulation by the state; amending Minnesota Statutes 1988, section 216B.02, subdivision 4.

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

Dawkins; Otis; Boo; Anderson, R., and Ogren introduced:

H. F. No. 1532, A bill for an act relating to utilities; low-income energy needs; designating the department of public service as the agency responsible for coordinating energy policy for low-income Minnesotans; requiring the department to gather certain information on low-income energy programs; prescribing certain uses for oil overcharge money; appropriating money; amending Minnesota Statutes 1988, sections 216B.241, subdivisions 1 and 2; 216C.02, subdivision 1; 216C.10; 216C.11; 216C.27, by adding a subdivision; and 504.185, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 216B.

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

Waltman; Johnson, V.; Lasley and Sparby introduced:

H. F. No. 1533, A bill for an act relating to the environment; establishing a petroleum storage tank replacement and retrofit program in the pollution control agency; authorizing grants to petroleum retailers; providing for the imposition of the petroleum tank release cleanup fee and expenditures from the petroleum tank release cleanup fund; amending Minnesota Statutes 1988, section 115C.08, subdivisions 2 and 4; proposing coding for new law in Minnesota Statutes, chapter 115C.

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

Nelson, K., introduced:

H. F. No. 1534, A bill for an act relating to education; establishing grants for parent-to-parent support programs; appropriating money; amending Minnesota Statutes 1988, section 120.17, by adding a subdivision.

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

Richter introduced:

H. F. No. 1535, A bill for an act relating to health; authorizing swing beds in rural hospitals with 50 to 100 beds; amending Minnesota Statutes 1988, section 144.562, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lasley, Peterson and Jennings introduced:

H. F. No. 1536, A bill for an act relating to education; authorizing a special capital loan for independent school district No. 314, Braham; appropriating money.

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

Olson, K.; Cooper; Bauerly; Hugoson and Ozment introduced:

H. F. No. 1537, A bill for an act relating to education; establishing revenue for cooperating districts to improve educational programs; establishing revenue for districts to cooperate for a certain time and combine; appropriating money; amending Minnesota Statutes 1988, sections 122.43, subdivision 1; 124A.22, subdivisions 5, 6, and by adding a subdivision; and 275.125, subdivision 8e; proposing coding for new law in Minnesota Statutes, chapters 122; 124; and 129B.

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

Jefferson and McLaughlin introduced:

H. F. No. 1538, A bill for an act relating to state government; creating the council on Martin Luther King, Jr. holidays and providing for the council's powers and duties; proposing coding for new law as Minnesota Statutes, chapter 44B.

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

Sparby; Olson, E.; Wenzel; Lieder and Uphus introduced:

H. F. No. 1539, A bill for an act relating to agriculture; providing assistance for establishing a barley research and promotion council; appropriating money.

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

Heap and Battaglia introduced:

H. F. No. 1540, A bill for an act relating to local government; regulating storm sewer improvements in Plymouth and Golden Valley; amending Laws 1979, chapter 303, article 10, section 15.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Reding and Sparby introduced:

H. F. No. 1541, A bill for an act relating to conservation; use of windbreaks on conservation acreage; amending Minnesota Statutes 1988, sections 40.43, subdivision 3; and 272.02, subdivision 1.

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

Dawkins introduced:

H. F. No. 1542, A bill for an act relating to disabled persons; creating an adaptive equipment loan guarantee program governed by a board of directors; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Ogren, Onnen, Dauner, Welle and McEachern introduced:

H. F. No. 1543, A bill for an act relating to occupations and professions; regulating unlicensed mental health service providers; appropriating money; amending Minnesota Statutes 1988, sections 148B.01, subdivision 5; 148B.40, by adding a subdivision; 148B.41; 148B.42; 148B.44, subdivision 1; 148B.45, subdivision 1; 148B.46, subdivision 1; and 148B.48; proposing coding for new law in Minnesota Statutes, chapter 148B; repealing Minnesota Statutes 1988, section 148B.43.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McPherson, Frederick, Omann, Richter and Poppenhagen introduced:

H. F. No. 1544, A bill for an act relating to judicial commitment; requiring the commissioner of corrections to screen criminal sexual conduct offenders before their release from prison to determine if they are psychopathic personalities; requiring the institution of proceedings under the psychopathic personality statute when indicated by the screening examination; amending Minnesota Statutes 1988, section 526.10; proposing coding for new law in Minnesota Statutes, chapter 244.

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

McPherson, Hugoson, Girard, Richter and Omann introduced:

H. F. No. 1545, A bill for an act relating to crimes; authorizing stay of imposition or execution of sentence only for first convictions of certain criminal sexual conduct offenses; requiring certain sexual

offenders who receive probation to have treatment in secure facilities; providing extended terms of imprisonment and restricted supervised release for persons convicted a third time for violent sexual offenses; creating a bipartisan audit committee to review the sentencing guidelines system; appropriating money; amending Minnesota Statutes 1988, sections 609.342, subdivision 3; 609.343, subdivision 3; 609.344, subdivision 3; 609.345, subdivision 3; and 609.346, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609.

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

McPherson, Hugoson, Richter, Haukoos and Girard introduced:

H. F. No. 1546, A bill for an act relating to education; exempting employment by a school district from certain requirements relating to employment of rehabilitated criminal offenders; amending Minnesota Statutes 1988, section 364.09.

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

Greenfield; Clark; Anderson, R., and Murphy introduced:

H. F. No. 1547, A bill for an act relating to human services; providing for a supplementary payment for families who are adversely affected by the budgeting methods under the aid to families with dependent children program; amending Minnesota Statutes 1988, section 256.74, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Scheid, Bertram, Peterson and Boo introduced:

H. F. No. 1548, A bill for an act relating to financial institutions; regulating charges and fees on loans and extensions of credit by financial institutions and others; making various internal reference changes; amending Minnesota Statutes 1988, sections 47.20, subdivision 2; 51A.02, subdivision 14; 51A.38, subdivision 3; 51A.385, subdivisions 4, 5, 6, 7, 8, 9, 12, and 13; 51A.50; 51A.51, subdivision 4; 51A.53; 51A.55, subdivisions 1 and 2; 51A.56; 51A.57; 56.131, subdivision 1; 168.72, subdivision 1; 168.73; and 507.45, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 47.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Osthoff, Abrams, O'Connor, Bertram and Dawkins introduced:

H. F. No. 1549, A bill for an act relating to financial institutions; establishing a system for the reporting and rating of community investment by financial institutions; proposing coding for new law in Minnesota Statutes, chapter 47.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Dorn; Trimble; Carlson, L.; Morrison and Heap introduced:

H. F. No. 1550, A bill for an act relating to human services; requiring counties to contract with post-secondary education institutions regarding child care payments for students on AFDC; guaranteeing continued child care assistance to eligible students who change their county of residence; appropriating money; amending Minnesota Statutes 1988, sections 256.736, subdivision 8; and 256H.08.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Otis, Clark, Greenfield, Rice and Nelson, K., introduced:

H. F. No. 1551, A bill for an act relating to retirement; providing for the funding of certain retirement fund deficiencies; amending Minnesota Statutes 1988, sections 275.125, by adding a subdivision; and 354A.12, subdivision 2, and by adding a subdivision.

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

Anderson, G., introduced:

H. F. No. 1552, A bill for an act relating to human services; increasing the limit for swing beds; amending Minnesota Statutes 1988, section 144.562, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Abrams introduced:

H. F. No. 1553, A bill for an act relating to elections; requiring county auditors to provide a sample ballot for classroom use; proposing coding for new law in Minnesota Statutes, chapter 204D.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Wenzel introduced:

H. F. No. 1554, A bill for an act relating to appropriations; appropriating money for a grant to the city of Baxter for a sewer interceptor line.

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

Blatz introduced:

H. F. No. 1555, A bill for an act relating to fees; providing for fees charged by county recorder; amending Minnesota Statutes 1988, section 357.18, subdivision 1.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Bishop, Krueger, Kahn, Miller and Sparby introduced:

H. F. No. 1556, A bill for an act relating to the legislature; changing the name of the legislative commission on planning and fiscal policy to the legislative commission on budget and fiscal policy; prescribing powers and duties of the commission; appropriating money; amending Minnesota Statutes 1988, sections 3.885; 3.98, subdivision 1; and 3.982.

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

Reding and Welle introduced:

H. F. No. 1557, A bill for an act relating to taxation; income; exempting tier one railroad retirement benefits; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

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

Peterson, Johnson, R.; Skoglund; Carruthers and Lasley introduced:

H. F. No. 1558, A bill for an act relating to insurance; property and

casualty; regulating rates, trade practices, and claims settlement practices; eliminating the bond requirement for notary publics; providing remedies; prescribing a penalty; amending Minnesota Statutes 1988, sections 70A.01, subdivision 2; 70A.04, subdivision 2; 70A.05; 70A.06, subdivision 1; 70A.07; 70A.19; 70A.21, subdivision 3; 72A.20, by adding a subdivision; 72A.201, by adding a subdivision; 359.02; and 359.071; proposing coding for new law in Minnesota Statutes, chapters 70A; and 72A; repealing Minnesota Statutes 1988, sections 70A.10; and 70A.21, subdivision 2.

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

Battaglia; Munger; Trimble; Johnson, V., and Carlson, D., introduced:

H. F. No. 1559, A bill for an act relating to natural resources; establishing a state shoreland management grant program; authorizing grants-in-aid to local government units; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 105.

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

Battaglia, Munger, Trimble and Carlson, D., introduced:

H. F. No. 1560, A bill for an act relating to natural resources; authorizing the Elephant Creek impoundment in St. Louis county.

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

Clark and Greenfield introduced:

H. F. No. 1561, A bill for an act relating to human rights; requiring bias crime curriculum; proposing coding for new law in Minnesota Statutes, chapter 363.

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

Welle, Ogren, Greenfield, Gruenes and Vellenga introduced:

H. F. No. 1562, A bill for an act relating to human services; providing for cost-based reimbursement for outpatient services provided by pediatric specialty hospitals to children under age 18 under the medical assistance and general assistance medical care

programs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark introduced:

H. F. No. 1563, A bill for an act relating to economic development; changing the requirements for loans to Indians; amending Minnesota Statutes 1988, section 116J.64, subdivision 7.

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

Dille, Clark, Wenzel, Cooper and Uphus introduced:

H. F. No. 1564, A bill for an act relating to agriculture; establishing a health screening and intervention program for herbicide and fumigant applicators; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 17.

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

Frerichs and Tompkins introduced:

H. F. No. 1565, A bill for an act relating to human services; establishing requirements for insurance and medical assistance payments for ambulance services; proposing coding for new law in Minnesota Statutes, chapter 62A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McGuire, Johnson, V.; Dorn; Trimble and Gruenes introduced:

H. F. No. 1566, A bill for an act relating to education; appropriating money to the HECB for the equivalent of four years of financial aid for post-secondary students.

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

Segal introduced:

H. F. No. 1567, A bill for an act relating to employment; requiring employers to continue salary while employees serve on jury duty; amending Minnesota Statutes 1988, section 593.50, subdivisions 2, 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Carlson, L.; Price; Orenstein; Morrison and Quinn introduced:

H. F. No. 1568, A bill for an act relating to individual income taxation; allowing a subtraction for certain post-secondary education expenses; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

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

Johnson, A.; Lasley; Kelso and Seaberg introduced:

H. F. No. 1569, A bill for an act relating to highways; abolishing authority of a city to disapprove the abandonment, change, or revocation of a county state-aid highway; providing that 30 percent of the county state-aid highway fund be apportioned on the basis of lane-miles; changing the composition of the county state-aid screening board; amending Minnesota Statutes 1988, sections 162.02, subdivision 10; and 162.07, subdivisions 1 and 5.

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

Lasley, Bauerly, Scheid, McEachern and Weaver introduced:

H. F. No. 1570, A bill for an act relating to education; providing that school levy increases approved by referendum be spread only against classes of property that include residential property; amending Minnesota Statutes 1988, section 124A.03, subdivision 2.

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

Peterson, Marsh, Bertram and Bauerly introduced:

H. F. No. 1571, A bill for an act relating to courts; authorizing appointment of a law clerk for each judge in the seventh judicial

district; amending Minnesota Statutes 1988, section 484.545, subdivision 1.

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

Pelowski, McEachern, Bauerly and Weaver introduced:

H. F. No. 1572, A bill for an act relating to education; prohibiting corporal punishment; allowing reasonable force for protection from assault; requiring the filing of a report; proposing coding for new law in Minnesota Statutes, chapter 120.

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

Ozment introduced:

H. F. No. 1573, A bill for an act relating to retirement; volunteer firefighters; excluding volunteer firefighters serving with the Hastings fire department from the definition of public employee.

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

Simoneau and Heap introduced:

H. F. No. 1574, A bill for an act relating to corporations; providing that the control share acquisition and business combination statutes apply to certain corporations unless they elect not to be covered; clarifying application of the statutes; reducing the period of time that business combinations may be regulated from five years to three years; removing restrictions on business combinations if an interested shareholder acquires at least 90 percent of the voting shares; modifying requirements for the use of committees to determine whether a corporation should pursue certain legal remedies; providing that meeting notices do not have to be sent to shareholders when mail has been returned undeliverable; amending Minnesota Statutes 1988, sections 302A.011, subdivisions 41 and 49; 302A.243; 302A.435, subdivision 1; 302A.671, subdivision 1; and 302A.673, subdivisions 1 and 3.

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

Vellenga, Wagenius, Pappas, Seaberg and Blatz introduced:

H. F. No. 1575, A bill for an act relating to adoption; changing the minimum age at which an adopted person may request original birth certificate information; changing time periods during which birth parents may consent to disclosure; authorizing disclosure of information on the consenting parent when only one birth parent consents; amending Minnesota Statutes 1988, section 259.49, subdivisions 1, 2, and 4.

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

Sviggum, Waltman, Rodosovich, Schafer and Conway introduced:

H. F. No. 1576, A bill for an act relating to education; providing equity in revenue for all school districts; proposing coding for new law in Minnesota Statutes, chapter 124A.

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

Simoneau introduced:

H. F. No. 1577, A bill for an act relating to credit unions; creating a credit union supervisory board to supervise and regulate credit unions; authorizing the appointment of a commissioner of credit unions; transferring the supervision of credit unions from the commissioner of commerce to the commissioner of credit unions; prescribing the commissioner's powers and duties; amending Minnesota Statutes 1988, sections 46.01, subdivision 1; 46.04, subdivision 1; 46.05; 46.07, subdivision 2; 46.09, subdivisions 1 and 2; 46.131, subdivisions 2 and 8; 46.23, subdivision 4; 52.01; 52.02, subdivision 3; 52.03, subdivision 3; 52.04, subdivision 1; 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; 52.21; 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 Governmental Operations.

Segal and Swenson introduced:

H. F. No. 1578, A bill for an act relating to deprivation of parental rights; increasing penalties for parental kidnapping where weapon

is used, child is abused, or ransom is demanded; prohibiting concealing a child abducted in another state; amending Minnesota Statutes 1988, section 609.26, subdivisions 1 and 6.

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

Rodosovich introduced:

H. F. No. 1579, A bill for an act relating to health; creating an exception to the nursing home moratorium; allowing pass-through of principal and interest on renovation of a nursing home to move existing licensed beds to another location in the nursing home; amending Minnesota Statutes 1988, sections 144A.071, subdivision 3; and 256B.431, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McEachern, Battaglia, Onnen, Bauerly and Dille introduced:

H. F. No. 1580, A bill for an act relating to the town of Otsego; authorizing the town to establish an economic development authority and to exercise tax increment financing powers; granting the town the power of a city with respect to the authority.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Scheid introduced:

H. F. No. 1581, A bill for an act relating to commerce; securities regulation; exempting certain over-the-counter securities from registration requirements; amending Minnesota Statutes 1988, section 80A.15, subdivision 1.

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

Murphy and Battaglia introduced:

H. F. No. 1582, A bill for an act relating to local government; providing for the coordination of town and county planning and zoning; amending Minnesota Statutes 1988, section 394.33, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Cooper; Dille; Otis; Nelson, C., and Murphy introduced:

H. F. No. 1583, A bill for an act relating to rural development; providing for a rural community needs assessment model; appropriating money.

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

Johnson, A.; Price and McGuire introduced:

H. F. No. 1584, A bill for an act relating to education; establishing metropolitan teacher centers; authorizing a levy; amending Minnesota Statutes 1988, section 275.125, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 125.

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

Otis, Long, Schreiber and Vanasek introduced:

H. F. No. 1585, A bill for an act relating to taxation; providing a schedule for distribution of political campaign checkoff money to political parties; amending Minnesota Statutes 1988, section 10A.31, subdivision 5.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Lieder, Tunheim, Dauner and Williams introduced:

H. F. No. 1586, A bill for an act relating to appropriations; providing emergency relief for Red River Valley area flooding.

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 214, A bill for an act relating to taxation; making technical corrections and clarifications to individual income and corporate franchise taxes; updating references to the Internal Revenue Code; imposing a tax and providing for withholding of certain payments to nonresidents; requiring surety payment by out-of-state contractors; amending Minnesota Statutes 1988, sections 290.01, subdivisions 4, 7, 19, 19a, 19b, 19c, 19d, 19e, and 19f; 290.06, subdivisions 2c and 22; 290.067, subdivision 1; 290.0802, subdivisions 1 and 2; 290.095, subdivision 9; 290.17, subdivisions 1 and 2; 290.311, subdivision 1; 290.92, by adding subdivisions; and 291.005, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 290; repealing Minnesota Statutes 1988, section 290.01, subdivision 6a.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 358 and 699.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 358, A bill for an act relating to liquor; clarifying license eligibility; changing the time of sale on certain holidays; allowing for the dispensing of samples of malt liquor; amending Minnesota Statutes 1988, sections 340A.402; 340A.504, subdivisions 2, 3, and 4; and 340A.510.

The bill was read for the first time.

Jacobs moved that S. F. No. 358 and H. F. No. 528, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 699, A bill for an act relating to alcoholic beverages; authorizing Cook county to issue an off-sale liquor license.

The bill was read for the first time.

Battaglia moved that S. F. No. 699 and H. F. No. 999, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

Otis was excused between the hours of 2:45 p.m. and 4:20 p.m.

CONSENT CALENDAR

H. F. No. 966, A bill for an act relating to transportation; providing for the recording of transportation corridors other than streets or highways; removing legislative route 249 from the trunk highway system; amending Minnesota Statutes 1988, section 505.1792, subdivision 1.

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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Gruenes	Lasley	Orenstein	Segal
Anderson, R.	Gutknecht	Lieder	Osthoff	Simoneau
Battaglia	Hartle	Limmer	Ostrom	Skoglund
Bauerly	Hasskamp	Long	Ozment	Solberg
Beard	Haukoos	Lynch	Pappas	Sparby
Begich	Heap	Macklin	Pauly	Stanis
Bertram	Henry	Marsh	Pellow	Steensma
Blatz	Himle	McDonald	Pelowski	Swiggon
Boo	Hugoson	McEachern	Peterson	Swenson
Brown	Jacobs	McGuire	Poppenhagen	Tjornhom
Burger	Janezich	McPherson	Price	Tompkins
Carlson, D.	Jaros	Milbert	Rest	Trimble
Carlson, L.	Jefferson	Miller	Quinn	Tunheim
Conway	Jennings	Morrison	Redalen	Uphus
Cooper	Johnson, A.	Munger	Rest	Valento
Dawkins	Johnson, R.	Murphy	Rice	Vellenga
Dempsey	Johnson, V.	Nelson, C.	Richter	Wagenius
Dille	Kalis	Neuenschwander	Rodosovich	Waltman
Dorn	Kelly	Ogren	Rukavina	Weaver
Forsythe	Kelso	Olsen, S.	Runbeck	Welle
Frederick	Kinkel	Olsen, E.	Schafer	Wenzel
Frerichs	Knickerbocker	Olsen, K.	Scheid	Williams
Girard	Kostohryz	Omman	Schreiber	Winter
Greenfield	Krueger	Onnen	Seaberg	Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

There being no objection, the order of business advanced to Motions and Resolutions.

MOTIONS AND RESOLUTIONS

Wynia; Vanasek; Long; Anderson, G., and McEachern introduced:

House Resolution No. 7, A house resolution setting the maximum limit on revenues and appropriations for the biennium.

SUSPENSION OF RULES

Wynia moved that the rules be so far suspended that House Resolution No. 7 be now considered and be placed upon its adoption. The motion prevailed.

HOUSE RESOLUTION NO. 7

A house resolution setting the maximum limit on revenues and appropriations for the biennium.

Be It Resolved by the House of Representatives that the sum of \$9,091,884,300 is the maximum limit on state expenditures to provide property tax relief, K-12 education financing, and post-secondary education programs; and \$370,949,000 is the maximum limit on state expenditures for debt service payments to the state building fund; and the sum of \$4,103,922,800 is the maximum limit for all other appropriations and transfers from the general fund for a total maximum limit of \$13,566,756,100 for the fiscal years of 1990 and 1991. This limit is adopted under House Rule 5.10.

Be It Further Resolved that the Legislature finds that a budget reserve of the sum of \$550,000,000 is necessary.

Be It Further Resolved that the sum of (1) the unreserved general fund balance at the end of fiscal year 1991, and (2) revenues for the purpose of general fund expenditures and transfers for the fiscal years of 1990 and 1991 must not exceed the amount of \$14,116,756,100. This limit is adopted under House Rule 5.10.

Be It Further Resolved that the Legislature finds that the sum of \$1,765,206,100 is the maximum limit on budget adjustments for the general fund for the fiscal years of 1990 and 1991 above the fiscal year 1989 same level expenditures and transfers from the general fund and that there should be:

(1) a \$513,484,000 budget adjustment for the purpose of providing additional property tax relief;

(2) a \$277,143,000 budget adjustment for the purpose of providing additional funding for K-12 education;

(3) a \$207,750,000 budget adjustment for the purpose of providing additional funding for post-secondary education;

(4) a \$55,318,000 budget adjustment for increased expenditures related to crime prevention;

(5) a \$124,091,000 budget adjustment for debt service for both existing and new general obligation bonds due or to become due during the biennium ending June 30, 1991;

(6) a \$302,075,100 budget adjustment for agriculture, transportation, and semi-state agencies, natural resource protection, public safety, housing, children initiatives, medical assistance programs, general assistance medical care, residential treatment facilities, income support, state health programs, pollution control, trade and economic development, military affairs, veterans affairs, courts and constitutional offices, and other state government responsibilities.

(7) a \$40,000,000 budget adjustment for environmental initiatives;

(8) a \$119,714,000 budget adjustment for all other expenditures and transfers; and

(9) a \$125,631,000 budget adjustment relating to fund consolidation.

Be It Further Resolved that the Legislature finds that it should continue to improve legislative oversight of off-budget expenditures through fund consolidation into the general fund and that the limit on expenditures and transfers from the general fund established under House Rule 5.10 may be automatically adjusted to reflect fund consolidation adopted by the Legislature.

Be It Further Resolved that the Legislature finds that it should appropriate, within the limits adopted under House Rule 5.10, up to \$150,000,000 in expenditures that are one-time in nature in order to control base budget growth for the 1992-1993 fiscal biennium.

Wynia moved that House Resolution No. 7 be now adopted.

A roll call was requested and properly seconded.

CALL OF THE HOUSE

On the motion of Sviggum and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abrams	Gruenes	Lasley	Orenstein	Simoneau
Anderson, G.	Gutknecht	Lieder	Osthoff	Skoglund
Anderson, R.	Hartle	Limmer	Ostrom	Solberg
Battaglia	Hasskamp	Long	Ozment	Sparby
Bauerly	Haukoos	Lynch	Pappas	Stanius
Beard	Heap	Macklin	Pauly	Steensma
Begich	Henry	Marsh	Pellow	Sviggum
Bertram	Himle	McDonald	Pelowski	Swenson
Blatz	Hugoson	McEachern	Poppenhagen	Tjornhom
Brown	Jacobs	McGuire	Price	Tompkins
Burger	Janezich	McPherson	Pugh	Trimble
Carlson, D.	Jaros	Milbert	Quinn	Tunheim
Carlson, L.	Jefferson	Miller	Redalen	Uphus
Carruthers	Jennings	Morrison	Rest	Valento
Clark	Johnson, A.	Munger	Rice	Vellenga
Conway	Johnson, R.	Murphy	Richter	Wagenius
Cooper	Johnson, V.	Nelson, C.	Rodosovich	Waltman
Dawkins	Kahn	Nelson, K.	Rukavina	Weaver
Dempsey	Kalis	Neuenschwander	Runbeck	Welle
Dorn	Kelly	O'Connor	Sarna	Wenzel
Forsythe	Kelso	Ogren	Schafer	Williams
Frederick	Kinkel	Olsen, S.	Scheid	Winter
Frerichs	Knickerbocker	Olsen, K.	Schreiber	Wynia
Girard	Kostohryz	Omann	Seaberg	Spk. Vanasek
Greenfield	Krueger	Onnen	Segal	

Wynia moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

Gruenes; Henry; Olsen, S.; Girard; Frederick; Johnson, V.; Uphus; Hugoson; Onnen; Poppenhagen; Macklin and Limmer moved to amend House Resolution No. 7, as follows:

Page 2, line 22, after the period insert "Of this amount, \$7,500,000 is for the purpose of improving care-related services in nursing homes;"

A roll call was requested and properly seconded.

The question was taken on the Gruenes et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 56 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Limmer	Ozment	Swenson
Blatz	Gruenes	Lynch	Pauly	Tjornhom
Boo	Gutknecht	Macklin	Pellow	Tompkins
Burger	Hartle	Marsh	Poppenhagen	Uphus
Carlson, D.	Haukoos	McDonald	Redalen	Valento
Conway	Heap	McPherson	Richter	Waltman
Dauner	Henry	Miller	Runbeck	Weaver
Dempsey	Himle	Morrison	Schafer	Williams
Dille	Hugoson	Olsen, S.	Schreiber	
Forsythe	Johnson, V.	Omann	Seaberg	
Frederick	Kinkel	Onnen	Stanius	
Frerichs	Knickerbocker	Osthoff	Sviggun	

Those who voted in the negative were:

Anderson, G.	Hasskamp	Long	Pappas	Solberg
Anderson, R.	Jacobs	McEachern	Pelowski	Sparby
Battaglia	Janezich	McGuire	Peterson	Steensma
Bauerly	Jaros	Munger	Price	Trimble
Beard	Jefferson	Murphy	Pugh	Tunheim
Begich	Jennings	Nelson, C.	Quinn	Vellenga
Bertram	Johnson, A.	Nelson, K.	Rest	Wagenius
Carlson, L.	Johnson, R.	Neuenschwander	Rice	Welle
Carruthers	Kahn	O'Connor	Rodosovich	Wenzel
Clark	Kalis	Ogren	Rukavina	Winter
Cooper	Kelso	Olson, E.	Sarna	Wynia
Dawkins	Kostohryz	Olson, K.	Segal	Spk. Vanasek
Dorn	Krueger	Orenstein	Simoneau	
Greenfield	Lieder	Ostrom	Skoglund	

The motion did not prevail and the amendment was not adopted.

Morrison; Forsythe; Valento; Olsen, S.; Hartle; Seaberg; Schreiber; Pauly; Lynch; Dille; Henry; Macklin; Blatz; Girard; Limmer; Himle; Richter; McDonald; Johnson, V., and Frerichs moved to amend House Resolution No. 7, as follows:

Page 2, line 22, after the period insert "Of this amount, \$14,000,000 is for the purpose of expanding services to battered women;"

A roll call was requested and properly seconded.

The question was taken on the Morrison et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 51 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Abrams	Blatz	Burger	Dempsey	Forsythe
Anderson, R.	Boo	Carlson, D.	Dille	Frederick

Frerichs	Hugoson	Miller	Richter	Tompkins
Girard	Johnson, V.	Morrison	Runbeck	Uphus
Gruenes	Knickerbocker	Olsen, S.	Schafer	Valento
Gutknecht	Limmer	Omamn	Schreiber	Waltman
Hartle	Lynch	Onnen	Seaberg	Weaver
Haukoos	Macklin	Ozment	Stanius	
Heap	Marsh	Pauly	Sviggun	
Henry	McDonald	Pellow	Swenson	
Himle	McPherson	Poppenhagen	Tjornhom	

Those who voted in the negative were:

Anderson, G.	Hasskamp	Long	Pappas	Sparby
Battaglia	Jacobs	McEachern	Pelowski	Steensma
Bauerly	Janezich	McGuire	Peterson	Trimble
Beard	Jaros	Milbert	Price	Tunheim
Begich	Jefferson	Munger	Pugh	Vellenga
Bertram	Jennings	Murphy	Quinn	Wagenius
Carlson, L.	Johnson, A.	Nelson, C.	Rest	Welle
Carruthers	Johnson, R.	Neuenschwander	Rice	Wenzel
Clark	Kahn	O'Connor	Rodosovich	Williams
Conway	Kalis	Ogren	Rukavina	Winter
Cooper	Kelso	Olson, E.	Sarna	Wynia
Dauner	Kinkel	Olson, K.	Segal	Spk. Vanasek
Dawkins	Kostohryz	Orenstein	Simoneau	
Dorn	Krueger	Osthoff	Skoglund	
Greenfield	Lieder	Ostrom	Solberg	

The motion did not prevail and the amendment was not adopted.

Runbeck, Henry, Gutknecht, Lynch, Macklin, Tjornhom, Poppenhagen and Onnen moved to amend House Resolution No. 7, as follows:

Page 2, line 22, after the period insert "Of this amount, \$16,000,000 is for the purpose of expanding the Head Start Program;"

A roll call was requested and properly seconded.

The question was taken on the Runbeck et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 53 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Abrams	Conway	Girard	Henry	Lynch
Bishop	Dempsey	Gruenes	Himle	Macklin
Blatz	Dille	Gutknecht	Hugoson	Marsh
Boo	Forsythe	Hartle	Johnson, V.	McDonald
Burger	Frederick	Haukoos	Knickerbocker	McPherson
Carlson, D.	Frerichs	Heap	Limmer	Miller

Morrison	Pauly	Runbeck	Sviggum	Valento
Olsen, S.	Pellow	Schafer	Swenson	Waltman
Omman	Poppenhagen	Schreiber	Tjornhom	Weaver
Onnen	Redalen	Seaberg	Tompkins	
Ozment	Richter	Stanius	Uphus	

Those who voted in the negative were:

Anderson, G.	Greenfield	Lieder	Pappas	Solberg
Anderson, R.	Hasskamp	Long	Pelowski	Steensma
Battaglia	Jacobs	McEachern	Peterson	Trimble
Bauerly	Janezich	McGuire	Price	Tunheim
Beard	Jaros	Munger	Pugh	Vellenga
Begich	Jefferson	Murphy	Quinn	Wagenius
Bertram	Jennings	Nelson, C.	Rest	Welle
Brown	Johnson, A.	Neuenschwander	Rice	Wenzel
Carlson, L.	Johnson, R.	O'Connor	Rodosovich	Williams
Carruthers	Kahn	Ogren	Rukavina	Winter
Clark	Kalis	Olson, E.	Sarna	Wynia
Cooper	Kelso	Olson, K.	Scheid	Spk. Vanasek
Dauner	Kinkel	Orenstein	Segal	
Dawkins	Kostohryz	Osthoff	Simoneau	
Dorn	Krueger	Ostrom	Skoglund	

The motion did not prevail and the amendment was not adopted.

Olsen, S.; Valento; Morrison; Macklin; Lynch; Seaberg; Pauly; Heap; Stanius; Blatz; Henry; Sviggum; Tjornhom; Burger; Knickerbocker; Pellow; McPherson; Limmer; Forsythe; Frerichs; Abrams; Tompkins; Himle; Schreiber; Weaver; McDonald and Runbeck moved to amend House Resolution No. 7, as follows:

Page 2, line 5, before the semicolon insert “, including the elimination and replacement of disparity reduction aid with a \$65,000,000 reduction in the basic maintenance levy”

A roll call was requested and properly seconded.

The question was taken on the Olsen, S., et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 47 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Abrams	Forsythe	Heap	Lynch	Olsen, S.
Anderson, R.	Frederick	Henry	Macklin	Onnen
Blatz	Frerichs	Himle	Marsh	Ozment
Burger	Girard	Hugoson	McDonald	Pauly
Carlson, D.	Gutknecht	Johnson, R.	McPherson	Pellow
Conway	Hartle	Knickerbocker	Miller	Poppenhagen
Dempsey	Haukoos	Limmer	Morrison	Pugh

Runbeck
Schreiber
Seaberg

Stanisus
Sviggum
Swenson

Tjornhom
Tompkins
Uphus

Valento
Waltman
Weaver

Those who voted in the negative were:

Anderson, G.
Battaglia
Bauerly
Beard
Begich
Bertram
Boo
Brown
Carlson, L.
Clark
Cooper
Dauner
Dawkins
Dorn
Greenfield

Gruenes
Hasskamp
Jacobs
Janezich
Jaros
Jefferson
Jennings
Johnson, A.
Johnson, V.
Kahn
Kalis
Kelso
Kinkel
Krueger
Lieder

Long
McEachern
McGuire
Munger
Murphy
Nelson, C.
Nelson, K.
Neuenschwander
O'Connor
Ogren
Olson, E.
Olson, K.
Omann
Orenstein
Osthoff

Ostrom
Pappas
Pelowski
Peterson
Price
Quinn
Redalen
Rest
Rice
Richter
Rodosovich
Rukavina
Sarna
Schafer
Scheid

Segal
Skoglund
Solberg
Sparby
Steensma
Trimble
Tunheim
Vellenga
Wagenius
Welle
Wenzel
Williams
Winter
Wynia
Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

Stanisus, Weaver, Lynch, Macklin, Swenson, Schafer, Sviggum and Onnen moved to amend House Resolution No. 7, as follows:

Page 2, line 7, before the semicolon insert "including \$92,000,000 for equity funding to bring every school district up to the statewide average general education funding per pupil unit"

A roll call was requested and properly seconded.

The question was taken on the Stanisus et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 39 yeas and 83 nays as follows:

Those who voted in the affirmative were:

Anderson, R.
Boo
Carlson, D.
Conway
Dempsey
Frederick
Frerichs
Girard

Gruenes
Hartle
Haukoos
Hugoson
Jacobs
Johnson, V.
Limmer
Lynch

Macklin
Marsh
McDonald
McPherson
Miller
Morrison
Omann
Onnen

Ozment
Pellow
Quinn
Redalen
Runbeck
Schafer
Schreiber
Seaberg

Stanisus
Sviggum
Swenson
Tompkins
Uphus
Waltman
Weaver

Those who voted in the negative were:

Abrams	Greenfield	Kostohryz	Orenstein	Skoglund
Anderson, G.	Gutknecht	Krueger	Osthoff	Solberg
Battaglia	Hasskamp	Lieder	Ostrom	Sparby
Bauerly	Heap	Long	Pappas	Steensma
Beard	Henry	McEachern	Pauly	Tjornhom
Begich	Himle	McGuire	Pelowski	Trimble
Bertram	Janezich	Milbert	Peterson	Tunheim
Blatz	Jaros	Munger	Poppenhagen	Vellenga
Brown	Jefferson	Murphy	Price	Wagenius
Burger	Jennings	Nelson, C.	Pugh	Welle
Carlson, L.	Johnson, A.	Nelson, K.	Rest	Wenzel
Clark	Johnson, R.	Neuenschwander	Rodosovich	Williams
Cooper	Kahn	O'Connor	Rukavina	Winter
Dauner	Kalis	Ogren	Sarna	Wynia
Dawkins	Kelso	Olsen, S.	Scheid	Spk. Vanasek
Dorn	Kinkel	Olson, E.	Segal	
Forsythe	Knickerbocker	Olson, K.	Simoneau	

The motion did not prevail and the amendment was not adopted.

Himle; Blatz; Stanius; Macklin; Morrison; Lynch; Olsen, S.; Waltman; Tjornhom; Swenson; Weaver; Girard; Runbeck; Hugoson; Henry; Forsythe; Tompkins; Pellow and Richter moved to amend House Resolution No. 7, as follows:

Page 2, line 5, before the semicolon insert “, \$80,000,000 of this amount is to fund the repeal of transition aid and full reenactment of the homestead credit and agricultural credit”

A roll call was requested and properly seconded.

The question was taken on the Himle et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 58 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Johnson, V.	Omann	Seaberg
Anderson, R.	Frerichs	Knickerbocker	Onnen	Stanius
Bennett	Girard	Limmer	Osthoff	Sviggun
Bishop	Gruenes	Lynch	Ozment	Swenson
Blatz	Gutknecht	Macklin	Pauly	Tjornhom
Boo	Hartle	Marsh	Pellow	Tompkins
Burger	Hasskamp	McDonald	Poppenhagen	Uphus
Carlson, D.	Haukoos	McPherson	Redalen	Valento
Conway	Heap	Milbert	Richter	Waltman
Dempsey	Henry	Miller	Runbeck	Weaver
Dille	Himle	Morrison	Schafer	
Forsythe	Hugoson	Olsen, S.	Schreiber	

Those who voted in the negative were:

Anderson, G.	Greenfield	Lieder	Pappas	Simoneau
Battaglia	Janezich	Long	Pelowski	Skoglund
Bauerly	Jaros	McGuire	Peterson	Solberg
Begich	Jefferson	Murphy	Price	Sparby
Bertram	Jennings	Nelson, C.	Pugh	Steensma
Brown	Johnson, A.	Nelson, K.	Quinn	Trimble
Carlson, L.	Johnson, R.	Neuenschwander	Rest	Tunheim
Carruthers	Kahn	O'Connor	Rice	Vellenga
Clark	Kelly	Ogren	Rodosovich	Wagenius
Cooper	Kelso	Olson, E.	Rukavina	Welle
Dauner	Kinkel	Olson, K.	Sarna	Wenzel
Dawkins	Kostohryz	Orenstein	Scheid	Williams
Dorn	Krueger	Ostrom	Segal	Winter
				Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

Frerichs; Macklin; Henry; Pellow; Lynch; Olsen, S.; Tjornhom; Gutknecht; Tompkins; Abrams and Runbeck moved to amend House Resolution No. 7, as follows:

Page 2, line 5, before the semicolon insert "including the elimination and replacement of disparity reduction aid with \$65,000,000 of additional commercial and industrial property tax relief"

A roll call was requested and properly seconded.

The question was taken on the Frerichs et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 47 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Abrams	Gruenes	Lynch	Ozment	Sviggum
Anderson, R.	Gutknecht	Macklin	Pauly	Swenson
Bennett	Hartle	Marsh	Pellow	Tjornhom
Bishop	Haukoos	McDonald	Poppenhagen	Tompkins
Blatz	Heap	McPherson	Runbeck	Uphus
Burger	Henry	Milbert	Schafer	Valento
Carlson, D.	Himle	Miller	Scheid	Waltman
Forsythe	Hugoson	Morrison	Schreiber	
Frerichs	Knickerbocker	Olsen, S.	Seaberg	
Girard	Limmer	Onnen	Stanisus	

Those who voted in the negative were:

Battaglia	Beard	Bertram	Brown	Carruthers
Bauerly	Begich	Boo	Carlson, L.	Clark

Conway	Johnson, A.	McGuire	Pappas	Skoglund
Cooper	Johnson, R.	Munger	Pejowski	Solberg
Dauner	Johnson, V.	Murphy	Peterson	Sparby
Dawkins	Kahn	Nelson, C.	Price	Steensma
Dempsey	Kalis	Nelson, K.	Pugh	Trimble
Dille	Kelly	Neuenschwander	Quinn	Tunheim
Dorn	Kelso	O'Connor	Redalen	Vellenga
Frederick	Kinkel	Ogren	Rest	Wagenius
Greenfield	Kostohryz	Olson, E.	Rice	Weaver
Hasskamp	Krueger	Olson, K.	Rodosovich	Welle
Jacobs	Lasley	Omann	Rukavina	Wenzel
Jaros	Lieder	Orenstein	Sarna	Williams
Jefferson	Long	Osthoﬀ	Segal	Winter
Jennings	McEachern	Ostrom	Simoneau	Wynia
				Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

McDonald; Sviggum; Valento; Olsen, S.; Stanius; McPherson; Schreiber; Schafer; Henry; Richter; Himle and Poppenhagen moved to amend House Resolution No. 7, as follows:

Page 1, line 16, delete "\$550,000,000" and insert "\$431,000,000"

Page 1, line 21, delete "\$14,116,756,100" and insert "13,997,756,100"

Page 1, after line 22, insert:

"Be It Further Resolved that the Legislature finds that it is unnecessary to increase taxes."

A roll call was requested and properly seconded.

The question was taken on the McDonald et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 53 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Abrams	Gruenes	Lynch	Osthoﬀ	Stanius
Bennett	Gutknecht	Macklin	Ozment	Sviggum
Bishop	Hartle	Marsh	Pauly	Swenson
Blatz	Haukoos	McDonald	Pellow	Tjornhom
Boo	Heap	McPherson	Poppenhagen	Tompkins
Burger	Henry	Milbert	Redalen	Uphus
Dempsey	Himle	Miller	Richter	Valento
Forsythe	Hugoson	Morrison	Runbeck	Waltman
Frederick	Johnson, V.	Olsen, S.	Schafer	Weaver
Frerichs	Knickerbocker	Omann	Schreiber	
Girard	Limmer	Onnen	Seaberg	

Those who voted in the negative were:

Anderson, G.	Greenfield	Krueger	Orenstein	Simoneau
Anderson, R.	Hasskamp	Lasley	Ostrom	Skoglund
Battaglia	Jacobs	Lieder	Pappas	Solberg
Bauerly	Janezich	Long	Pelowski	Sparby
Beard	Jaros	McEachern	Peterson	Steensma
Begich	Jefferson	McGuire	Price	Trimble
Bertram	Jennings	Munger	Pugh	Tunheim
Carlson, L.	Johnson, A.	Murphy	Quinn	Vellenga
Carruthers	Johnson, R.	Nelson, C.	Rest	Wagenius
Clark	Kahn	Nelson, K.	Rice	Welle
Cooper	Kalis	Neuenschwander	Rodosovich	Wenzel
Dauner	Kelly	O'Connor	Rukavina	Williams
Dawkins	Kelso	Ogren	Sarna	Winter
Dille	Kinkel	Olson, E.	Scheid	Wynia
Dorn	Kostohryz	Olson, K.	Segal	Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

Tompkins; Henry; Frederick; Macklin; Tjornhom; Olsen, S.; Girard; Blatz; McPherson; Runbeck and Schafer moved to amend House Resolution No. 7, as follows:

Page 2, line 7, before the semicolon insert "including \$20,000,000 for special education regular funding"

A roll call was requested and properly seconded.

The question was taken on the Tompkins et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 54 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Johnson, V.	Olsen, S.	Seaberg
Anderson, R.	Girard	Knickerbocker	Omann	Stanisus
Bennett	Gruenes	Limmer	Onnen	Sviggum
Bishop	Gutknecht	Lynch	Ozment	Swenson
Blatz	Hartle	Macklin	Pauly	Tjornhom
Boo	Haukoos	Marsh	Pellow	Tompkins
Burger	Heap	McDonald	Poppenhagen	Uphus
Carlson, D.	Henry	McPherson	Richter	Valento
Dempsey	Himle	Milbert	Runbeck	Waltman
Forsythe	Hugoson	Miller	Schafer	Weaver
Frederick	Jacobs	Morrison	Schreiber	

Those who voted in the negative were:

Anderson, G.	Bauerly	Begich	Brown	Carruthers
Battaglia	Beard	Bertram	Carlson, L.	Clark

Conway	Kahn	Nelson, C.	Price	Steensma
Cooper	Kalis	Nelson, K.	Pugh	Trimble
Dauner	Kelly	Neuenschwander	Quinn	Tunheim
Dawkins	Kelso	O'Connor	Rest	Vellenga
Dille	Kinkel	Ogren	Rice	Wagenius
Dorn	Kostohryz	Olson, E.	Rodosovich	Welle
Greenfield	Krueger	Olson, K.	Rukavina	Wenzel
Hasskamp	Lasley	Orenstein	Sarna	Williams
Janezich	Lieder	Osthoff	Scheid	Winter
Jaros	Long	Ostrom	Segal	Wynia
Jefferson	McEachern	Otis	Simoneau	Spk. Vanasek
Jennings	McGuire	Pappas	Skoglund	
Johnson, A.	Munger	Pelowski	Solberg	
Johnson, R.	Murphy	Peterson	Sparby	

The motion did not prevail and the amendment was not adopted.

Stanisus, Burger, Swenson, McPherson, Sviggum and McDonald moved to amend House Resolution No. 7, as follows:

Page 1, line 16, delete "\$550,000,000" and insert "\$410,000,000"

Page 2, line 6, delete "\$277,143,000" and insert "\$417,143,000"

Page 2, line 7, before the semicolon insert "including \$199,000,000 for increasing the general education formula allowance for fiscal year 1990 to \$2,875 per pupil unit and for fiscal year 1991 to \$3,000 per pupil unit"

A roll call was requested and properly seconded.

The question was taken on the Stanisus et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 51 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Knickerbocker	Onnen	Schafer
Anderson, R.	Frerichs	Limmer	Osthoff	Schreiber
Bennett	Girard	Lynch	Ozment	Seaberg
Blatz	Gruenes	Macklin	Pauly	Stanisus
Boo	Haukoos	Marsh	Pellow	Sviggum
Burger	Heap	McDonald	Poppenhagen	Swenson
Carlson, D.	Henry	McPherson	Pugh	Tjornhom
Dempsey	Himle	Milbert	Redalen	Tompkins
Dille	Hugoson	Olsen, S.	Richter	Uphus
Forsythe	Johnson, V.	Omann	Runbeck	Valento
				Waltman

Those who voted in the negative were:

Anderson, G.	Greenfield	Lasley	Ostrom	Skoglund
Battaglia	Jacobs	Lieder	Otis	Solberg
Bauerly	Janezich	Long	Pappas	Sparby
Beard	Jaros	McEachern	Pelowski	Steensma
Begich	Jefferson	Miller	Peterson	Trimble
Bertram	Jennings	Munger	Price	Tunheim
Brown	Johnson, A.	Murphy	Quinn	Vellenga
Carlson, L.	Johnson, R.	Nelson, C.	Rest	Wagenius
Carruthers	Kahn	Nelson, K.	Rice	Weaver
Clark	Kalis	Neuenschwander	Rodosovich	Welle
Conway	Kelly	O'Connor	Rukavina	Wenzel
Cooper	Kelso	Ogren	Sarna	Williams
Dauner	Kinkel	Olson, E.	Scheid	Winter
Dawkins	Kostohryz	Olson, K.	Segal	Wynia
Dorn	Krueger	Orenstein	Simoneau	Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

Sviggum, Girard, Frederick, McPherson, Henry and Johnson, V., moved to amend House Resolution No. 7, as follows:

Page 2, line 22, after the period insert "All state mandates enacted during the 1989 and 1990 legislative sessions for the purposes specified in this paragraph for fiscal years 1990 and 1991 will be fully funded so they will not result in property tax increases;"

The motion did not prevail and the amendment was not adopted.

Valento; Olsen, S.; Blatz; Burger; Henry; Pellow; Tjornhom and Pauly moved to amend House Resolution No. 7, as follows:

Page 2, line 5, before the semicolon insert "including the elimination and replacement of disparity reduction aid with at least \$65,000,000 of property tax relief to residential rental property"

A roll call was requested and properly seconded.

The question was taken on the Valento et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 44 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Abrams	Carlson, D.	Haukoos	Limmer	Milbert
Anderson, R.	Dempsey	Heap	Lynch	Olsen, S.
Beard	Forsythe	Henry	Macklin	Omann
Bennett	Frerichs	Himle	Marsh	Onnen
Blatz	Girard	Hugoson	McDonald	Ozment
Burger	Gruenes	Knickerbocker	McPherson	Pauly

Pellow
Poppenhagen
Pugh

Runbeck
Schreiber
Seaberg

Stanis
Sviggum
Swenson

Tjornhom
Tompkins
Valento

Waltman
Weaver

Those who voted in the negative were:

Anderson, G.
Battaglia
Bauerly
Begich
Bertram
Boo
Brown
Carlson, L.
Carruthers
Clark
Conway
Cooper
Dauner
Dawkins
Dorn
Frederick

Greenfield
Hasskamp
Jacobs
Janezich
Jaros
Jefferson
Jennings
Johnson, A.
Johnson, R.
Johnson, V.
Kahn
Kalis
Kelly
Kelso
Kinkel
Kostohryz

Krueger
Lasley
Lieder
Long
McEachern
McGuire
Munger
Murphy
Nelson, C.
Neuenschwander
O'Connor
Ogren
Olson, E.
Olson, K.
Orenstein
Osthoff

Ostrom
Otis
Pappas
Pelowski
Peterson
Price
Quinn
Redalen
Rest
Rice
Richter
Rodosovich
Rukavina
Sarna
Schafer
Scheid

Segal
Simoneau
Skoglund
Solberg
Steensma
Trimble
Tunheim
Uphus
Vellenga
Wagenius
Welle
Wenzel
Williams
Winter
Wynia
Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

The question recurred on the Wynia motion that House Resolution No. 7 be now adopted and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 72 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Anderson, G.
Anderson, R.
Battaglia
Bauerly
Beard
Begich
Brown
Carlson, L.
Carruthers
Clark
Conway
Cooper
Dauner
Dawkins
Dorn

Greenfield
Hasskamp
Jacobs
Janezich
Jefferson
Johnson, A.
Johnson, R.
Kahn
Kalis
Kelly
Kelso
Kinkel
Kostohryz
Krueger
Lasley

Lieder
Long
McEachern
McGuire
Munger
Murphy
Nelson, C.
Nelson, K.
O'Connor
Ogren
Olson, E.
Olson, K.
Orenstein
Ostrom
Otis

Pappas
Pelowski
Peterson
Price
Quinn
Redalen
Rest
Rice
Rodosovich
Rukavina
Sarna
Segal
Simoneau
Skoglund
Solberg

Sparby
Steensma
Trimble
Tunheim
Vellenga
Wagenius
Welle
Wenzel
Williams
Winter
Wynia
Spk. Vanasek

Those who voted in the negative were:

Abrams
Bennett
Bertram
Bishop
Blatz
Boo

Burger
Carlson, D.
Dempsey
Dille
Forsythe
Frederick

Frerichs
Girard
Gruenes
Gutknecht
Hartle
Haukoos

Heap
Henry
Himle
Hugoson
Jennings
Johnson, V.

Knickerbocker
Limmer
Lynch
Macklin
Marsh
McDonald

McPherson	Omann	Poppenhagen	Schreiber	Tompkins
Milbert	Onnen	Pugh	Seaberg	Uphus
Miller	Osthoff	Richter	Stanius	Valento
Morrison	Ozment	Runbeck	Sviggum	Waltman
Neuenschwander	Pauly	Schafer	Swenson	Weaver
Olsen, S.	Pellow	Scheid	Tjornhom	

The motion prevailed and House Resolution No. 7 was adopted.

Weaver was excused between the hours of 5:15 p.m. and 6:05 p.m.

There being no objection, the order of business reverted to General Orders.

GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. Quinn presided during a portion of the meeting of the Committee of the Whole. 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. 245 and 529 were recommended to pass.

H. F. No. 185 was recommended for progress until Tuesday, April 18, 1989.

H. F. No. 493, the first engrossment, which it recommended to pass with the following amendments:

Offered by Hugoson:

Page 1, line 21, delete "pupil's resident" and after "district" insert "the pupil is currently attending"

Offered by Kahn:

Page 3, after line 18, insert "This subdivision does not apply to those pupils who have been denied equal opportunity to participate in athletic activities as described under section 126.21."

Offered by Kahn:

Page 3, after line 18, insert "A pupil transferring under this section may immediately participate, without any period of ineligibility, in any extracurricular varsity athletic activity offered by the pupil's nonresident district that is not offered by the pupil's resident district, or by the nonresident district from which the pupil is transferring."

Offered by Carruthers and Johnson, A.:

Page 3, after line 18, insert "This subdivision does not apply to pupils who have been enrolled in the nonresident district during the 1988-1989 school year under an alternative enrollment options agreement."

Offered by Vellenga:

Page 2, after line 27, insert:

"Sec. 3. Minnesota Statutes 1988, section 120.062, subdivision 9, is amended to read:

Subd. 9. [TRANSPORTATION.] If requested by the parent of a pupil, the nonresident district shall provide transportation within the district. The state shall pay transportation aid to the district according to section 124.225.

The resident district is not required to provide or pay for transportation between the pupil's residence and the border of the nonresident district. A parent may be reimbursed by the nonresident district for the costs of transportation from the pupil's residence to the border of the nonresident district if the pupil is from a family whose income is at or below the poverty level, as determined by the federal government.

Upon request of the nonresident pupil, a district that enrolls a nonresident pupil under this section must transport that pupil without charge between a school within the nonresident district and a point chosen by the pupil on a route travelled by a bus from the nonresident district."

Renumber subsequent sections

Amend the title accordingly

On the motion of Wynia 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:

Kahn moved to amend H. F. No. 493, the first engrossment, as amended, as follows:

Page 3, after line 18, insert "A pupil transferring under this section may immediately participate, without any period of ineligibility, in any extracurricular varsity athletic activity offered by the pupil's nonresident district that is not offered by the pupil's resident district, or by the nonresident district from which the pupil is transferring."

The question was taken on the Kahn amendment and the roll was called. There were 61 yeas and 55 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Kelso	Olsen, S.	Seaberg
Bennett	Greenfield	Krueger	Onnen	Skoglund
Bishop	Gruenes	Long	Osthoft	Sparby
Blatz	Gutknecht	Lynch	Ostrom	Sviggum
Carlson, L.	Haukoos	Marsh	Pappas	Swenson
Carruthers	Henry	McGuire	Pauly	Tompkins
Clark	Himle	McPherson	Pugh	Valento
Dawkins	Jacobs	Milbert	Redalen	Vellenga
Dempsey	Janezich	Miller	Rest	Wagenius
Dille	Jefferson	Murphy	Rodosovich	Waltman
Dorn	Johnson, A.	Nelson, K.	Runbeck	Williams
Frerichs	Kahn	Ogren	Scheid	Wynia
				Spk. Vanasek

Those who voted in the negative were:

Anderson, G.	Cooper	Knickerbocker	Neuenschwander	Richter
Battaglia	Dauner	Kostohryz	O'Connor	Rukavina
Bauerly	Forsythe	Lasley	Olson, E.	Sarna
Beard	Frederick	Lieder	Olson, K.	Schafer
Begich	Hartle	Limmer	Omman	Schreiber
Bertram	Hasskamp	Macklin	Pelowski	Simoneau
Boo	Hugoson	McDonald	Peterson	Stanis
Brown	Jaros	McEachern	Poppenhagen	Trimble
Burger	Kalis	Morrison	Price	Tunheim
Carlson, D.	Kelly	Munger	Quinn	Welle
Conway	Kinkel	Nelson, C.	Rice	Wenzel

The motion prevailed and the amendment was adopted.

Nelson, K., moved to amend H. F. No. 493, the first engrossment, as amended, as follows:

Page 2, lines 33 and 34, delete "one school year" and insert "90 days"

Page 2, line 34, delete the second "year" and insert "90 days"

Page 3, line 3, delete "year" and insert "90 days"

Page 3, line 14, delete "year" and insert "90 days"

The question was taken on the Nelson, K., amendment and the roll was called. There were 17 yeas and 108 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dille	Kahn	Nelson, K.	Wynia
Blatz	Girard	Kelso	Osthoff	
Boo	Henry	Long	Ostrom	
Carruthers	Himle	Marsh	Schreiber	

Those who voted in the negative were:

Abrams	Gruenes	Limmer	Otis	Segal
Battaglia	Hartle	Lynch	Ozment	Simoneau
Bauerly	Hasskamp	Macklin	Pappas	Skoglund
Beard	Haukoos	McDonald	Pauly	Solberg
Begich	Heap	McEachern	Pellow	Stanius
Bennett	Hugoson	McGuire	Pelowski	Steensma
Bertram	Jacobs	McPherson	Peterson	Sviggum
Bishop	Janezich	Milbert	Poppenhagen	Swenson
Brown	Jaros	Miller	Price	Tjornhom
Burger	Jefferson	Morrison	Pugh	Tompkins
Carlson, D.	Jennings	Munger	Quinn	Trimble
Carlson, L.	Johnson, A.	Murphy	Redalen	Tunheim
Conway	Johnson, R.	Nelson, C.	Rest	Uphus
Cooper	Johnson, V.	Neuenschwander	Rice	Valento
Dauner	Kalis	O'Connor	Richter	Vellenga
Dawkins	Kelly	Ogren	Rodosovich	Waltman
Dempsey	Kinkel	Olsen, S.	Rukavina	Welle
Dorn	Knickerbocker	Olson, E.	Runbeck	Wenzel
Forsythe	Kestohryz	Olson, K.	Sarna	Winter
Frederick	Krueger	Omann	Schafer	Spk. Vanasek
Frerichs	Lasley	Onnen	Scheid	
Greenfield	Lieder	Orenstein	Seaberg	

The motion did not prevail and the amendment was not adopted.

MOTIONS AND RESOLUTIONS

Lieder moved that his name be stricken and the name of Anderson, G., be added as chief author on H. F. No. 46. The motion prevailed.

Lieder moved that the name of Kalis be shown as chief author and the names of Carlson, D., and Morrison be added as authors on H. F. No. 47. The motion prevailed.

Carlson, D., moved that the names of Olson, E., Begich; Brown

and Bennett be added as authors on H. F. No. 129. The motion prevailed.

Dawkins moved that the name of Krueger be stricken and the name of Olsen, S., be added as an author on H. F. No. 140. The motion prevailed.

Kelso moved that her name be stricken as an author on H. F. No. 493. The motion prevailed.

Simoneau moved that the name of Tjornhom be added as an author on H. F. No. 520. The motion prevailed.

Brown moved that the name of Lynch be stricken and the name of Anderson, G., be added as an author on H. F. No. 892. The motion prevailed.

Skoglund moved that the name of Otis be added as an author on H. F. No. 1155. The motion prevailed.

Krueger moved that the name of Bishop be added as an author on H. F. No. 1242. The motion prevailed.

Brown moved that his name be stricken as an author on H. F. No. 1384. The motion prevailed.

Ogren moved that the name of Solberg be added as an author on H. F. No. 1475. The motion prevailed.

Omann moved that the names of Cooper, Beard and McEachern be added as authors on H. F. No. 1479. The motion prevailed.

Omann moved that the names of McEachern, Cooper and Beard be added as authors on H. F. No. 1480. The motion prevailed.

Conway moved that the names of Greenfield, Kahn and Morrison be added as authors on H. F. No. 1484. The motion prevailed.

Carruthers moved that the name of Swenson be added as an author on H. F. No. 1514. The motion prevailed.

Carruthers moved that H. F. No. 1194, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

O'Connor moved that H. F. No. 1308, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Battaglia moved that S. F. No. 108, now on the Technical Consent Calendar, be re-referred to the Committee on Appropriations. The motion prevailed.

Jennings moved that H. F. No. 1041, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Munger moved that H. F. No. 521 be recalled from the Committee on Appropriations and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Valento moved that H. F. No. 688 be recalled from the Committee on Local Government and Metropolitan Affairs and be re-referred to the Committee on Taxes. The motion prevailed.

Skoglund moved that H. F. No. 954 be recalled from the Committee on Insurance and be re-referred to the Committee on Labor-Management Relations. The motion prevailed.

Kelly moved that H. F. No. 1135 be recalled from the Committee on Judiciary and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming. The motion prevailed.

Osthoff moved that H. F. No. 1577 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Financial Institutions and Housing. The motion prevailed.

Begich moved that S. F. No. 112 be recalled from the Committee on Labor-Management Relations and together with H. F. No. 1009, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

Blatz moved that H. F. No. 1470 be recalled from the Committee on Local Government and Metropolitan Affairs and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming. The motion prevailed.

Winter moved that H. F. No. 1496 be recalled from the Committee on Transportation and be re-referred to the Committee on Labor-Management Relations. The motion prevailed.

Otis moved that H. F. No. 1188 be returned to its author. The motion prevailed.

ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, April 10, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, April 10, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives