

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION — 1989

## FIFTY-THIRD DAY

SAINT PAUL, MINNESOTA, TUESDAY, MAY 16, 1989

The House of Representatives convened at 12:00 noon and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by the Reverend Robert Rolfes, the Assistant Chancellor of the Diocese of St. Cloud, St. Cloud, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Price was excused until 12:55 p.m. Scheid was excused until 1:35 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Schreiber moved that further reading of the Journal be dis-

pensed 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. 1023, 1709, 515, 1726, 42, 1146, 584, 661, 1203, 1418 and 629 and S. F. Nos. 277, 1101, 1323, 1541, 262, 536, 522, 150, 126 and 139 have been placed in the members' files.

S. F. No. 1101 and H. F. No. 1222, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Janezich moved that the rules be so far suspended that S. F. No. 1101 be substituted for H. F. No. 1222 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1541 and H. F. No. 1449, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Rest moved that the rules be so far suspended that S. F. No. 1541 be substituted for H. F. No. 1449 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 522 and H. F. No. 535, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

O'Connor moved that the rules be so far suspended that S. F. No. 522 be substituted for H. F. No. 535 and that the House File be indefinitely postponed. The motion prevailed.

#### SECOND READING OF SENATE BILLS

S. F. Nos. 1101, 1541 and 522 were read for the second time.

## SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, O'Connor moved that the rule therein be suspended and an urgency be declared so that S. F. No. 522 be given its third reading and be placed upon its final passage. The motion prevailed.

O'Connor moved that the Rules of the House be so far suspended that S. F. No. 522 be given its third reading and be placed upon its final passage. The motion prevailed.

O'Connor moved to amend S. F. No. 522, as follows:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

## AFFORDABLE HOUSING PROGRAMS

Section 1. Minnesota Statutes 1988, section 462A.05, is amended by adding a subdivision to read:

Subd. 14c. [NEIGHBORHOOD PRESERVATION.] It may agree or enter commitments to purchase, make, or participate in making loans described in subdivision 14 for programs approved by the agency for the preservation of designated neighborhoods. To achieve the policy of economic integration stated in section 462A.02, subdivision 6, the programs may authorize loans to borrowers having ownership interests in properties in the neighborhood who are not eligible mortgagors as defined in section 462A.03, subdivision 13. The aggregate original principal balances of noneligible mortgagor loans in a neighborhood benefiting from financing under this subdivision must not exceed 25 percent of the total amount of neighborhood preservation loan funds allocated to the neighborhood under the program.

Sec. 2. Minnesota Statutes 1988, section 462A.05, subdivision 27, is amended to read:

Subd. 27. The agency, or the corporations referred to in subdivision 26, may acquire property or property interests under subdivisions 25 and 26 and section 462A.06, subdivision 7, for the following purposes: (1) to protect a loan or grant in which the agency or corporation has an interest; or (2) to preserve for the use of low- and moderate-income persons or families multifamily housing, previously financed by the agency, which was (a) previously financed by the agency, or (b) not financed by the agency but is benefited by federal housing assistance payments or other rental subsidy or interest reduction contracts. Property or property interests acquired

for the purpose specified in clause (1) may be acquired by foreclosure, deed in lieu of foreclosure, or otherwise.

Multifamily property acquired as provided in clause (2) must be managed on a fee basis by an entity other than the agency or corporation. The agency or corporation may manage the property on a temporary basis until an agreement is entered into with another entity to manage the property. The agency or corporation shall make the property available for sale at a purchase price and on terms that are mutually agreeable to the parties.

Sec. 3. Minnesota Statutes 1988, section 462A.05, is amended by adding a subdivision to read:

Subd. 30. [HOME EQUITY CONVERSION LOANS.] The agency may make or purchase home equity conversion loans for low- or moderate-income elderly homeowners. Loan recipients must be at least 62 years of age, have substantial equity in their home, and have an income at or below 50 percent of the area median income. The agency must inform program participants of available home equity conversion loan counseling services before making a loan.

Sec. 4. Minnesota Statutes 1988, section 462A.21, subdivision 4k, is amended to read:

Subd. 4k. [HOUSING DEVELOPMENT FUND.] The agency may make grants for residential housing for low-income persons under section 462A.05, subdivision 28, from funds specifically appropriated by the legislature for that purpose and may pay the costs and expenses for the development and operation of the program.

Sec. 5. Minnesota Statutes 1988, section 462A.21, is amended by adding a subdivision to read:

Subd. 8b. [FAMILY RENTAL HOUSING.] It may establish a family rental housing assistance program to provide loans or direct rental subsidies for housing for families with incomes of up to 60 percent of area median income. Priority must be given to those developments with resident families with the lowest income. The development may be financed by the agency or other public or private lenders. Direct rental subsidies must be administered by the agency for the benefit of eligible families. Financial assistance provided under this subdivision to recipients of aid to families with dependent children must be in the form of vendor payments whenever possible. Loans and direct rental subsidies under this subdivision may be made only with specific appropriations made for the purposes of this subdivision.

Sec. 6. Minnesota Statutes 1988, section 462A.21, is amended by adding a subdivision to read:

Subd. 8c. [RENTAL HOUSING FOR INDIVIDUALS.] It may establish a rental housing assistance program for persons of low-income or with a mental illness to provide loans or direct rental subsidies for housing for individuals with incomes of up to 25 percent of area median income. Priority must be given to developments with the lowest income residents. Housing for the mentally ill must be operated in coordination with social service providers who provide services to tenants. The developments may be financed by the agency or other public or private entities. Direct rental subsidies must be administered by the agency for the benefit of eligible tenants. Financial assistance under this subdivision must be in the form of vendor payment whenever possible. Loans and direct rental subsidies under this subdivision may be made only with specific appropriations made for the purposes of this subdivision.

Sec. 7. Minnesota Statutes 1988, section 462A.21, subdivision 12, is amended to read:

Subd. 12. [TEMPORARY HOUSING.] It may make loans or grants for the purpose of section 462A.05, subdivision 20, and may pay the costs and expenses necessary and incidental to the loan or grant program authorized therein. Grants pursuant to section 462A.05, subdivision 20 may be made only with specific appropriations by the legislature.

Sec. 8. Minnesota Statutes 1988, section 462A.21, is amended by adding a subdivision to read:

Subd. 12a. [PROGRAM MONEY TRANSFER.] Grants authorized under section 462A.05, subdivisions 20, 28, and 29, may be made only with specific appropriations by the legislature, but unencumbered balances of money appropriated for the purpose of loans or grants for agency programs under these subdivisions may be transferred between programs created by these subdivisions or in accordance with section 462A.20, subdivision 3.

## ARTICLE 2

### LANDLORD-TENANT PROVISIONS

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 credit worthiness, 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 shall 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 or increase the security deposit or rent of a residential housing unit to the individual. If the tenant report has not been used to deny the rent 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 individual prior to furnishing the information and shall not exceed the charge that the tenant screening service would impose on each designated recipient for a tenant 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 shall 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 shall delete the information from the individual's file and tenant report. At the request of the individual, the tenant screening service shall 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 shall 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 information from a court file on an individual in a tenant report, 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.



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 566.29, 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. 9. 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. 10. 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. 11. Minnesota Statutes 1988, section 566.29, is amended by adding a subdivision to read:

Subd. 7. [FACTORS FOR THE COURT TO CONSIDER.] In considering whether to grant the administrator funds under subdivision 4, the court shall 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. 12. 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 fraud, gross negligence, misfeasance, malfeasance, or nonfeasance of office.

Sec. 13. [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. 14. Minnesota Statutes 1988, section 580.04, is amended to read:

#### 580.04 [REQUISITES OF NOTICE.]

Each notice shall specify:

(1) The name of the mortgagor and of the mortgagee, and of the assignee of the mortgage, if any, and the original principal amount secured by said mortgage;

(2) The date of the mortgage, and when and where recorded, except where the mortgage is upon registered land, in which case the notice shall state that fact, and when and where registered;

(3) The amount claimed to be due thereon, and taxes, if any, paid by the mortgagee at the date of the notice;

(4) A description of the mortgaged premises, conforming substantially to that contained in the mortgage;

(5) The time and place of sale; and

(6) The time allowed by law for redemption by the mortgagor, the mortgagor's personal representatives or assigns; and

(7) If the party foreclosing the mortgage desires to preserve its right to reduce the redemption period based on a judicial order issued under section 16 after the first publication of the notice, the notice must also state in capital letters: "THE TIME ALLOWED BY LAW FOR REDEMPTION BY THE MORTGAGOR, THE MORTGAGOR'S PERSONAL REPRESENTATIVES OR ASSIGNS, MAY BE REDUCED TO FIVE WEEKS IF, BEFORE THE FORECLOSURE SALE, THE PARTY FORECLOSING THE MORTGAGE OBTAINS A JUDICIAL ORDER ISSUED UNDER MINNESOTA STATUTES, SECTION 580.231, DETERMINING THAT THE MORTGAGED PREMISES ARE IMPROVED WITH A RESIDENTIAL DWELLING OF LESS THAN FIVE UNITS, ARE NOT PROPERTY USED IN AGRICULTURAL PRODUCTION WITHIN THE MEANING OF LAWS 1986, CHAPTER 398, SECTION 5, AND ARE ABANDONED."

Sec. 15. Minnesota Statutes 1988, section 580.12, is amended to read:

580.12 [CERTIFICATE OF SALE; RECORD; EFFECT.]

When any sale of real property is made under a power of sale contained in any mortgage, the officer shall make and deliver to the purchaser a certificate, executed in the same manner as a conveyance, containing:

(1) A description of the mortgage;

(2) A description of the property sold;

(3) The price paid for each parcel sold;

(4) The time and place of the sale, and the name of the purchaser; and

(5) The time allowed by law for redemption. The, provided that if the redemption period stated in the certificate is five weeks and a longer redemption period was stated in the published notice of foreclosure sale, the certificate must also contain a certified copy of the court order, issued under section 16, authorizing reduction of the redemption period to five weeks.

A certificate which states a five-week redemption period must be recorded within ten days after the sale; any other certificate shall must be recorded within 20 days after such the sale, and. When so

recorded, upon expiration of the time for redemption, shall operate as a conveyance to the purchaser or the purchaser's assignee of all the right, title, and interest of the mortgagor in and to the premises named therein at the date of such mortgage, without any other conveyance.

**Sec. 16. [580.231] [FIVE-WEEK REDEMPTION PERIOD FOR CERTAIN ABANDONED PROPERTIES.]**

Subdivision 1. [APPLICATION.] This section applies to mortgages executed after December 31, 1989, for which there has been a monetary default existing for at least 60 days as of the date of the filing of the complaint provided for in subdivision 3. This section does not apply to mortgages where the mortgaged premises exceed ten acres in size, or are improved with a model home or a dwelling in the process of construction. This section may be applied to a foreclosure by action conducted under chapter 581 and to a foreclosure by advertisement conducted under this chapter.

Subd. 2. [BEFORE FORECLOSURE SALE.] Notwithstanding section 580.23 or 581.10, if the party foreclosing a mortgage, at any time before the foreclosure sale but not more than 30 days before the first publication of the notice of sale, obtains a court order which reduces the mortgagor's redemption period to five weeks under subdivision 6, after the mortgaged premises have been sold as provided in this chapter, the mortgagor, and the mortgagor's personal representatives or assigns, within five weeks after the sale, may redeem the mortgaged premises as provided in section 580.23, subdivision 1. If an order is obtained after the first publication of the notice of sale, the five-week redemption period applies only if the notice of sale contained the statement required by section 580.04, clause (7).

Subd. 3. [AFTER FORECLOSURE SALE.] If the holder of a sheriff's certificate of sale, at any time after the foreclosure sale, obtains a court order which reduces the mortgagor's redemption period to five weeks under subdivision 6, the period during which the mortgagor, the mortgagor's personal representatives and assigns, may redeem the mortgaged premises in accordance with the provisions of section 580.23, subdivision 1, is reduced to five weeks from the date the order is entered. Within ten days after the order is entered, a certified copy of the order must be filed with the office of the recorder or registrar of titles for the county in which the mortgaged premises are located, and a copy of the order must be personally served upon, or sent by certified mail to, all parties holding liens of record at the time of the foreclosure sale which were junior to the lien of the foreclosed mortgage. Affidavits of service and mailing to evidence the same is prima facie evidence of the facts stated therein and is entitled to recordation along with the certified copy of the order.

Subd. 4. [SUMMONS AND COMPLAINT.] The party foreclosing a mortgage or holding a sheriff's certificate of sale may initiate a proceeding in district court to have the mortgagor's redemption period reduced under this section. The proceeding must be initiated by the filing of a complaint, naming the mortgagor, or the mortgagor's personal representatives or assigns of record, as defendant, in district court for the county in which the mortgaged premises are located. The complaint must identify the mortgaged premises by legal description and must identify the mortgage by: (1) the names of the mortgagor and mortgagee, and any assignee of the mortgagee; (2) the date of its making; and (3) pertinent recording information. The complaint must allege that the mortgaged premises are:

(1) comprised of ten acres or less;

(2) improved with a residential dwelling consisting of less than five units, which is not a model home or a dwelling under construction;

(3) not property used in agricultural production within the meaning of Laws 1986, chapter 398, section 5; and

(4) abandoned.

The complaint must request an order reducing the mortgagor's redemption period to five weeks. When the complaint has been filed, the court shall issue a summons commanding the person or persons named in the complaint to appear before the court on a day and at a place stated in the summons. The appearance day shall be not less than 15 nor more than 25 days from the day of the issuing of the summons. A copy of the filed complaint must be attached to the summons.

Subd. 5. [SERVICE.] The summons may be served by any person not named a party to the action. The summons must be served at least seven days before the appearance day, in the manner provided for service of a summons in a civil action in the district court. If the defendant cannot be found in the county, the summons may be served by sending a copy by certified mail to the defendant's last usual place of abode known to the plaintiff, if any, at least ten days before the appearance day. The summons must be posted in a conspicuous place on the mortgaged premises not less than seven days before the appearance day. If personal or certified mail service cannot be made on the defendant, or the defendant's last usual place of abode is unknown to the plaintiff, then the plaintiff or plaintiff's attorney may file an affidavit to that effect with the court and service by posting the summons on the mortgaged premises is sufficient.

Subd. 6. [HEARING; EVIDENCE; ORDER.] At the hearing on the summons and complaint, the court shall enter an order reducing the

mortgagor's redemption period as provided in subdivision 1 or 2, as applicable, if evidence is presented supporting the allegations in the complaint and no appearance is made to oppose the relief sought. An affidavit by the sheriff or a deputy sheriff of the county in which the mortgaged premises are located, or of a building inspector, zoning administrator, housing official, or other municipal or county official having jurisdiction over the mortgaged premises, stating that the mortgaged premises are not actually occupied and further setting forth any of the following supporting facts, is prima facie evidence of abandonment:

(1) windows or entrances to the premises are boarded up or closed off, or multiple window panes are broken and unrepaired;

(2) doors to the premises are smashed through, broken off, unhinged, or continuously unlocked;

(3) gas, electric, or water service to the premises has been terminated;

(4) rubbish, trash, or debris has accumulated on the mortgaged premises;

(5) the police or sheriff's office has received at least two reports of trespassers on the premises, or of vandalism or other illegal acts being committed on the premises; or

(6) the premises are deteriorating and are either below or are in imminent danger of falling below minimum community standards for public safety and sanitation.

An affidavit of the party foreclosing the mortgage or holding the sheriff's certificate, or one of their agents or contractors, stating any of the above supporting facts, and that the affiant has changed locks on the premises under this section and that for a period of ten days no party having a legal possessory right has requested entrance to the premises, is also prima facie evidence of abandonment. Either affidavit described above, or an affidavit from any other person having knowledge, may state facts supporting any other allegations in the complaint and is prima facie evidence of the same. Written statements of the mortgagor, the mortgagor's personal representatives or assigns, including documents of conveyance, which indicate a clear intent to abandon the premises, is conclusive evidence of abandonment. In the absence of affidavits or written statements, or if rebuttal evidence is offered by the defendant or a party lawfully claiming through the defendant, the court may consider any competent evidence, including oral testimony, concerning any allegation in the complaint. An order entered under this section must contain a legal description of the mortgaged premises.

Subd. 7. [RECORDING.] A certified copy of an order entered under this section may be recorded in the office of the county recorder or registrar of titles for the county in which the mortgaged premises are located, provided that the order contains a legal description of the mortgaged premises.

Sec. 17. Minnesota Statutes 1988, section 581.10, is amended to read:

581.10 [REDEMPTION BY MORTGAGOR, CREDITOR.]

The mortgagor, or those claiming under the mortgagor, within the time specified in section 580.23 or section 16, whichever applies, after the date of the order of confirmation, may redeem the premises sold, or any separate portion thereof, by paying the amount bid therefor, with interest thereon from the time of sale at the rate provided to be paid on the mortgage debt, not to exceed eight percent per annum, and, if no rate to be provided in the mortgage, at the rate of six percent, together with any further sum which may be payable pursuant to section 582.03. Creditors having a lien may redeem in the order and manner specified in section 580.24, but no creditor shall be entitled to redeem unless within such specified redemption period the creditor files with the court administrator notice of intention to redeem.

Sec. 18. Minnesota Statutes 1988, section 582.03, is amended to read:

582.03 [PURCHASER AT FORECLOSURE, EXECUTION, OR JUDICIAL SALE MAY PAY TAXES, ASSESSMENTS, INSURANCE PREMIUMS, OR INTEREST.]

The purchaser at any sale, upon foreclosure of mortgage or execution or at any judicial sale during the year period of redemption, may pay any taxes or assessments on which any penalty would otherwise accrue, and may pay the premium upon any policy of insurance procured in renewal of any expiring policy upon mortgaged premises, may pay any costs incurred under section 582.031, and may, in case any interest or installment of principal upon any prior or superior mortgage, lien, or contract for deed is in default or shall become due during such year the period of redemption, pay the same, and, in all such cases, the sum so paid, with interest, shall be a part of the sum required to be paid to redeem from such sale. Such payments shall be proved by the affidavit of the purchaser or the purchaser's agent or attorney, stating the items and describing the premises, which must be filed for record with the county recorder or registrar of titles, and a copy thereof shall be furnished to the sheriff at least ten days before the expiration of the year period of redemption.



**Sec. 19. [582.031] [LIMITED RIGHT OF ENTRY BY MORTGAGEE OR PURCHASER AT FORECLOSURE SALE.]**

Subdivision 1. [RIGHT OF ENTRY.] If premises described in a mortgage or sheriff's certificate are vacant or unoccupied, the holder of the mortgage or sheriff's certificate or the holder's agents and contractors may enter upon the premises to protect the premises from waste, until the holder of the mortgage or sheriff's certificate receives notice that the premises are occupied. The holder of the mortgage or sheriff's certificate does not become a mortgagee in possession by taking actions authorized under this section. An affidavit of the sheriff, the holder of the mortgage or sheriff's certificate, or a person acting on behalf of the holder, describing the premises and stating that the same are vacant or unoccupied, is prima facie evidence of the facts stated in the affidavit when recorded in the office of the county recorder or the registrar of titles in the county where the premises are located.

Subd. 2. [AUTHORIZED ACTIONS.] The holder of the mortgage or sheriff's certificate may take the following actions to protect the premises from waste: install or change locks on doors and windows, board windows, and otherwise prevent or minimize damage to the premises from the elements, vandalism, trespass; or other illegal activities. If the holder of the mortgage or sheriff's certificate installs or changes locks under this section, a key to the premises must be promptly delivered to the mortgagor or any person lawfully claiming through the mortgagor, upon request.

Subd. 3. [COSTS.] All costs incurred by the holder of the mortgage to protect the premises from waste may be added to the principal balance of the mortgage. The costs may bear interest to the extent provided in the mortgage and may be added to the redemption price if the costs are incurred after a foreclosure sale. If the costs are incurred after a foreclosure sale, the purchaser at the foreclosure sale must comply with the provisions of section 582.03. The provisions of this section are in addition to, and do not limit or replace, any other rights or remedies available to holders of mortgages and sheriff's certificates, at law or under the applicable mortgage agreements.

**Sec. 20. Minnesota Statutes 1988, section 582.30, subdivision 2, is amended to read:**

**Subd. 2. [GENERAL PROHIBITION FOR PROPERTY WITH A SIX-MONTH OR FIVE-WEEK REDEMPTION PERIOD.] A deficiency judgment is not allowed if a mortgage is foreclosed by advertisement under chapter 580, and has a redemption period of six months under section 580.23, subdivision 1 or five weeks under section 580.231.**

**Sec. 21. [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 full 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 paragraph.

As long as proceedings are pending under this section, the tenant shall pay rent to the owner or as directed by the court and may not withhold rent in order to remedy a violation.

Subd. 3. [COUNTERCLAIM FOR POSSESSION.] The owner may file a counterclaim for possession of the premises in cases where the owner alleges that the tenant did not deposit the full amount of rent with the court administrator. The court must set the date for a hearing on the counterclaim not less than seven nor more than 14 days from the day of filing the counterclaim. If the rent escrow hearing and the hearing on the counterclaim for possession cannot be heard on the same day, the matters must be consolidated and heard on the date scheduled for the hearing on the counterclaim. The contents of the counterclaim for possession must meet the requirements for a complaint in unlawful detainer under section 566.05. The owner must serve the counterclaim as provided in section 566.06, except that the affidavits of service or mailing may be brought to the hearing rather than filed with the court before the hearing. The court shall provide a simplified form for use under this section.

Subd. 4. [DEFENSES.] The defenses provided in section 566.23 are defenses to an action brought under this section.

Subd. 5. [FILING FEE.] The court administrator may charge a filing fee in the amount set for complaints and counterclaims in conciliation court subject to the filing of an inability to pay affidavit.

Subd. 6. [NOTICE OF HEARING.] 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 the owner has disclosed a post office box as the owner's address under section 504.22, 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 shall 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 and must inform the owner that possession of the premises will not be an issue at the hearing unless the owner files a counter claim for possession or an action under sections 566.01 to 566.17.

Subd. 7. [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. 8. [CONSOLIDATION WITH UNLAWFUL DETAINER.] Actions under this section and actions in unlawful detainer brought under sections 566.01 to 566.17 that involve the same parties must be consolidated and heard on the date scheduled for the unlawful detainer.

Subd. 9. [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. 10. [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 22.

(b) When a proceeding under this section has been consolidated with a counterclaim for possession or an action in unlawful detainer under sections 566.01 to 566.17, and the owner prevails, the tenant may redeem the tenancy as provided in section 504.02.

(c) When a proceeding under this section has been consolidated with a counterclaim for possession or an action under an unlawful detainer under sections 566.01 to 566.17 on the grounds of nonpayment, the court may not require the tenant to pay the owner's filing fee as a condition of retaining possession of the premises when the tenant has deposited with the court the full amount of money found by the court to be owing the owner.

Subd. 11. [RELEASE OF RENT AFTER HEARING.] Upon finding, after a hearing on the matter has been held, that no violation exists in the building, 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. Upon finding that a violation existed but was remedied between the commencement of the action and the hearing, the court may order rent abatement and shall release the rent to the parties accordingly. Any rent found owing the tenant must be released to the tenant.

Subd. 12. [RETALIATION; WAIVER; RIGHTS AS ADDITIONAL.] The provisions of section 566.28 apply to proceedings under this section. The tenant rights under this section may not be waived or modified and are in addition to and do not limit other rights or remedies which may be available to the tenant and owner, except as provided in subdivision 2.

Sec. 22. [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 of a court order;

(2) \$500 for the second violation of the same court order; and

(3) \$750 for the third and subsequent violations of the same court order.

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 must be paid to the state treasurer, deposited in the general fund, and credited to the general fund.

### ARTICLE 3

#### YOUTH EMPLOYMENT AND HOUSING PROGRAM

Section 1. Minnesota Statutes 1988, section 268.361, subdivision 4, is amended to read:

Subd. 4. [ELIGIBLE ORGANIZATION.] "Eligible organization" means a public agency or a nonprofit organization that can demonstrate an ability to design implement a program for education and training services provided to targeted youth. Eligible organizations may include local jurisdictions, public school districts, private non-sectarian schools, post-secondary educational institutes, alternative schools, community groups, and labor organizations.

Sec. 2. Minnesota Statutes 1988, section 268.361, is amended by adding a subdivision to read:

Subd. 4a. [PROGRAM.] "Program" means the services and activities performed or contracted for by an eligible organization for which a grant has been received or for which a grant application has been submitted to the commissioner.

Sec. 3. Minnesota Statutes 1988, section 268.362, is amended to read:

#### 268.362 [PLANNING GRANTS.]

The commissioner shall make grants of up to \$20,000 to eligible organizations for the design of programs to provide education and training services to targeted youth. The purpose of these programs is to provide specialized training and work experience to at-risk targeted youth who have not been served effectively by the current educational system. The programs are to be designed to include a work experience component with work projects that result in the

rehabilitation or construction of residential units for the homeless. Two or more eligible organizations may jointly apply for a planning grant. The commissioner shall administer the grant program.

Interested eligible organizations must apply to the commissioner for the grants. The advisory committee must review the applications and provide to the commissioner a list of recommended eligible organizations that the advisory committee determines meet the requirements for receiving a planning grant. The commissioner shall select from the committee's list at least four organizations to receive the planning grants with at least one organization located in each of the cities of Minneapolis and St. Paul and two organizations located outside the metropolitan area defined in section 473.121, subdivision 2.

Sec. 4. Minnesota Statutes 1988, section 268.364, is amended to read:

#### 268.364 [PROGRAM PURPOSE AND DESIGN.]

Subdivision 1. [PROGRAM PURPOSE.] The grants awarded under section 268.362 are for the design of a youth employment and training program directed at targeted youth who are likely to be at risk of not completing their high school education. Each program design must include education, work experience, and job skills components.

Subd. 2. [EDUCATION COMPONENT.] A program design must contain an education component that requires program participants who have not completed to complete their secondary education to be enrolled in a traditional public or private secondary school, a suitable alternative school setting, or a GED program. Program participants must be working toward the completion of their secondary education or literacy advancement.

Subd. 3. [WORK EXPERIENCE COMPONENT.] A work experience component must be included in each program design. The work experience component must provide vocational skills training in an industry where there is a viable expectation of job opportunities and a training subsidy or stipend may be provided to program participants. The wage or stipend must be provided to participants who are recipients of public assistance in a manner or amount which will not reduce public assistance benefits. The work experience component must be designed so that work projects result in the expansion or improvement of residential units for homeless persons and very low income families, and must include direct supervision by individuals skilled in each specific vocation. The program design must include an examination of how Program participants may earn credits toward the completion of their secondary education from their participation in the work experience component.

Subd. 4. [JOB READINESS SKILLS COMPONENT.] A job readiness skills component must be included in each program design. The component must provide program participants with job search skills, placement assistance, and other job readiness skills to ensure that participants will be able to compete in the employment market.

Subd. 5. [ELIGIBLE PROGRAM PROVIDERS.] A program design must include the examination of the types of organizations that would administer and operate the program. The types of organizations examined must include public school districts, private nonsectarian schools, alternative schools, local jurisdictions, housing related groups, community groups, and labor organizations, or a joint effort among two or more of these organizations.

Sec. 5. Minnesota Statutes 1988, section 268.365, is amended to read:

#### 268.365 [HOUSING FOR HOMELESS.]

Subdivision 1. [WORK PROJECT REQUIREMENT.] The work experience component of the youth employment and training program described in section 268.364 must include work projects that provide residential units through construction or, rehabilitation, or improvement for the homeless and families with very low incomes.

Subd. 2. [PRIORITY FOR HOUSING.] Any residential units that become available through the employment and training program must be allocated in the following order:

- (1) homeless families with at least one dependent;
- (2) other homeless individuals;
- (3) other very low income families and individuals; and
- (4) families or individuals that receive public assistance and that do not qualify in any other priority group.

Subd. 3. [ACQUISITION OF HOUSING UNITS.] The program design must include an examination of the means of acquiring eligible organization receiving a grant under section 268.362 shall acquire property or buildings for the construction or rehabilitation of residential units at the lowest possible cost. The examination must include the review of Possible sources of property and funding through federal, state, or local agencies, including include the federal Department of Housing and Urban Development, Farmers Home Administration, Minnesota housing finance agency, and the local housing authority.

Subd. 4. [MANAGEMENT OF RESIDENTIAL UNITS.] The pro-

gram design must address how to manage these residential units, including the source of financing for the maintenance costs of the buildings. Any management plan must include the participation of the residents and local established neighborhood groups.

Sec. 6. Minnesota Statutes 1988, section 268.366, is amended to read:

**268.366 [REQUIREMENTS OF ORGANIZATIONS RECEIVING GRANTS.]**

An organization that is awarded a planning grant under section 268.362 shall prepare and submit a an annual report to the commissioner by January 15, 1989 September 1 of each year. The report must address each include a discussion of the following:

(1) the ~~method~~ process used for encouraging the participation of the targeted youth in the geographic area surrounding the organization receiving the grant;

(2) the support services and social services that targeted youth require and the means of providing those services to program participants received under the program. Services may include client needs assessment, preemployment skills such as basic job skills and behavior, and intermediate needs such as education and chemical dependency treatment;

(3) the type and degree of work experience that program participants ~~must participate in received~~, including real work experience in both vocational and nonvocational settings;

(4) the amount of training subsidy or stipend that each participant ~~should receive~~ received while participating in the work experience component. The subsidy or stipend must reflect prevailing wage and benefits standards appropriate for preapprenticeship training unless a participant's receipt of public assistance is affected. The subsidy or stipend should be structured to include incentives for progress toward increasing job skills and completing secondary education;

(5) the ~~identification~~ and means of providing the necessary job readiness skills so that to program participants who have completed the work experience and educational components of the program may have so they have the ability to compete in the job market. These job search skills may include skills assessment, job search and selection, application preparation and assistance in preparing for job interviews;

(6) the methods that ~~may~~ be used to assist in placing program participants in suitable employment. The methods should include means of involving state government, businesses, labor organiza-



tions, community groups, and local jurisdictions in assisting in the placement;

(7) a plan the process used for evaluating the program, including the necessary data elements that must be collected from program participants after they have completed the program to monitor for monitoring the success of the program;

(8) the method used to maximize parental involvement in the program;

(9) the identification of existing public and private programs that may be were utilized by the program to avoid duplication of services;

(10) the identification of regional characteristics that may affect affected the operation of the program in the specific region where the organization is located;

(11) the identification and means of addressing the special needs of priority groups of targeted youth, which groups may include including:

(i) persons who are responsible for at least one dependent;

(ii) persons who are pregnant;

(iii) persons who are or have been subject to any stage of the criminal justice system and who may benefit from receiving employment and training services in overcoming barriers to employment resulting from a record of arrest or conviction;

(iv) persons receiving income maintenance services and social services, including chemical dependency treatment, vocational rehabilitation services, and protection services;

(v) persons who reside on a farm who personally derive or whose family derives a substantial portion of their income from farming, lack nonfarm work skills, or have limited access to vocational education or work experience opportunities;

(vi) homeless youth; and

(vii) minors who that are not financially dependent on a parent or a guardian;

(12) cost estimates costs for each of the components of the program; and

(13) the identification of the funding sources other than state appropriations that may be were used to support the program.

Sec. 7. Minnesota Statutes 1988, section 268.367, is amended to read:

268.367 [REPORT.]

The commissioner shall prepare and submit a an annual report to the legislature and the governor by February January 15, 1989 of each year, that outlines the various program designs summarizes the annual reports submitted by the organizations that received planning grants. The report must may also include recommendations on which components of the improving the program designs are most suitable to meeting to better meet the needs of targeted youth. The advisory committee must participate in the preparation of this report and in the formulation of the any recommendations.

Sec. 8. [1990 REPORT.]

The annual report for 1990 required under Minnesota Statutes, section 268.367, must include specific recommendations on whether the program should be continued on a permanent basis and, if continued, the state agency that should administer the program. In preparing this report and the recommendations, the commissioner of the state planning agency must consult with the eligible organizations receiving grants under section 9 and the advisory committee.

Sec. 9. [DEMONSTRATION GRANTS.]

Notwithstanding Minnesota Statutes, section 268.362, the commissioner of the state planning agency shall award up to three demonstration grants to eligible organizations, as defined in Minnesota Statutes, section 268.361, subdivision 4, based on criteria established in the report required under Laws 1988, chapter 686, article 3, section 7. To achieve a demonstration grant under this section, the eligible organization must match the grant money with at least an equal amount of nonstate money. The commissioner of finance must verify that the eligible organization has matched the grant money.

Sec. 10. [APPROPRIATION.]

\$200,000 is appropriated from the general fund for the biennium ending June 30, 1991, to the commissioner of the state planning agency for the demonstration grants under section 9.

ARTICLE 4

SPECIAL LAWS

Section 1. [DEFINITION.]

"City" means the city of Saint Paul and the city of Minneapolis for the purposes of sections 2 to 6.

Sec. 2. Laws 1974, chapter 285, section 1, is amended to read:

Section 1. [~~MINNEAPOLIS, CITY OF; HOUSING ACQUISITION AND REHABILITATION LOAN AND GRANT PROGRAM; PURPOSE.]~~ The legislature of the state of Minnesota finds that preservation of the quality of life in a major metropolitan city is dependent upon the preservation of adequate housing, that many houses in the city cities of Minneapolis and Saint Paul do not meet the applicable housing code or otherwise need rehabilitation or modernizing, that there is a need for a comprehensive housing rehabilitation program in the city cities of Minneapolis and Saint Paul which will complement any statewide housing rehabilitation program, that some home owners are unable to afford any rehabilitation expenses, that many home owners are unable to afford housing rehabilitation loans at market rate of interest, and that because the availability of mortgage credit for housing rehabilitation is limited some home owners cannot obtain such credit, and that reinvestment in the housing stock by rehabilitating and updating homes is necessary to maintain the stability of neighborhoods in the city. The legislature further finds that the construction of housing to replace individual dilapidated and obsolete buildings, for which rehabilitation is not economically feasible, is necessary to increase the stability and maintain the value of housing in established neighborhoods.

Sec. 3. Laws 1974, chapter 285, section 2, is amended to read:

Sec. 2. [~~CITY OF MINNEAPOLIS; HOUSING REHABILITATION LOAN PROGRAM.]~~ The city of Minneapolis is authorized to develop and administer a housing rehabilitation loan program with respect to property located anywhere within its boundaries on such terms and conditions as it determines; provided that in approving applications for ~~this~~ such a program, the following factors shall be considered:

- (1) The availability of other governmental programs affordable by the applicant;
- (2) The availability and affordability of private market financing;
- (3) Whether the housing is required, pursuant to an urban renewal program or a code enforcement program, to be repaired, improved, or rehabilitated;
- (4) Whether the housing is required, pursuant to a court order issued under Minnesota Statutes, 1973 Supplement, Section 566.25, Clauses (b), (c), and (e), to be repaired, improved, or rehabilitated;

(5) Whether the housing has been determined to be uninsurable because of physical hazards after inspection pursuant to a statewide property insurance plan approved by the United States Department of Housing and Urban Development under Title XII of the National Housing Act; and further provided that all loans and grants shall be issued primarily for rehabilitating housing so that it meets applicable housing codes.

(6) Whether rehabilitation of the housing will maintain or improve the value of the housing and will help to stabilize the neighborhood in which the housing is located.

Sec. 4. Laws 1974, chapter 285, is amended by adding a new section to read:

Sec. 2a. [NEW SINGLE FAMILY RESIDENCES.]

Any housing rehabilitation loan program undertaken under section 3 may also provide for the city to make or purchase loans made to finance the acquisition of single family residences that have been newly constructed in established neighborhoods on land owned by the city or any agency of the city. For purposes of this section, land shall be considered to be owned by the city if the city or one of its agencies previously owned the land and conveyed it to an individual under a development agreement in which the individual has agreed to construct single family housing on such land. In approving applications for a loan to be made under this section, the following factors shall be considered:

(1) the availability and affordability of other governmental programs or private market financing; and

(2) whether the construction of such housing enhances the stability of the neighborhood in which it is located.

Sec. 5. Laws 1974, chapter 285, section 3, is amended to read:

Sec. 3. [CITY OF MINNEAPOLIS; HOUSING REHABILITATION GRANT PROGRAM.] The city of Minneapolis is authorized to develop and administer a housing rehabilitation grant program with respect to property within its boundaries, on such terms and conditions as it determines; provided that in approving applications for grants under this program, all of the considerations and limitations enumerated in section 2 for loans must be considered in making grants under this program, and the following factors must also be considered:

(1) Whether the housing unit is a single family dwelling or homesteaded unit and

(2) Whether the applicant is a person of low income; and further provided that the city council of the city of Minneapolis shall by ordinance set forth the regulations for this its grant program; and further provided that the dollar value of grants made shall not exceed five percent of the total value of the bonds issued for the loan and grant program together, and that all grants shall be made primarily to rehabilitate housing so that it meets applicable housing codes.

Sec. 6. Laws 1974, chapter 285, section 4, is amended to read:

Sec. 4. [ISSUANCE OF BONDS.] To finance the programs authorized in sections 2, 2a, and 3 of this act, the governing body of the city of Minneapolis may by resolution authorize, issue, and sell general obligation bonds of the city of Minneapolis in accordance with the provisions of Minnesota Statutes, Chapter 475. The total amount of all bonds in a city outstanding for the programs shall not exceed \$10,000,000 \$25,000,000. The amount of all bonds issued shall not be included in the net indebtedness of the city for the purpose of any charter or statutory debt limitation.

Sec. 7. Laws 1987, chapter 386, article 6, section 6, subdivision 2, is amended to read:

Subd. 2. [TARGETED NEIGHBORHOOD PARTICIPATION IN REVITALIZATION PROGRAM DEVELOPMENT.] The city shall develop a process to consult the residents in the targeted neighborhood concerning the development, drafting, and implementation of the revitalization program. The process may include the establishment of an advisory board in each city. The process must include at least one public hearing in addition to a public hearing held by the advisory board. The cities of Minneapolis and Duluth must use the certification process outlined in subdivisions 3 to 7. The city of Saint Paul must use the process outlined in section 2.

Sec. 8. Laws 1987, chapter 386, article 6, section 6, is amended by adding a subdivision to read:

Subd. 8. [CITY OF SAINT PAUL APPROVAL.] (a) For the purposes of this subdivision, "city" means the city of Saint Paul.

(b) A city may approve the preliminary revitalization program developed through a process that includes the citizen participation required under subdivision 2 only after holding a public hearing. Notice of the hearing must be provided in a newspaper of general circulation in the city and in the targeted neighborhoods not less than ten days nor more than 30 days before the date of the hearing. After the public hearing and after the city has incorporated any changes into the preliminary program as a result of the public hearing, the city may approve the preliminary program and shall

submit the approved preliminary program for final approval to the review board.

(c) After approval, the city shall submit the preliminary program to the commissioner and the Minnesota housing finance agency for their comments. The state agencies have 30 days to provide comments to the preliminary program. State agency comments must be submitted in writing to the review board established under paragraph (d).

(d) The city shall each establish a city urban revitalization action program review board whose purpose is to review the preliminary program submitted by the city, and approve all or portions of the program. The review board consists of two city council members who represent targeted neighborhoods, two members representing the city's business community appointed by the chamber of commerce representing businesses in the city, and three residents of targeted neighborhoods appointed by the city council. Two members of the house of representatives and one member of the state senate appointed by the city's legislative delegation shall be nonvoting members of the review board. Nonvoting legislative members of the review board shall represent targeted neighborhoods. A member of the review board who is appointed as a targeted neighborhood resident may not be a member of a formal community planning organization, an elected public official, or in any way be involved in preparing or implementing the program or any portion of the program. The review board may require the city to contract for staff assistance in reviewing and approving the program. Persons who provide staff assistance to the review board may not be city employees or in any way involved in a formal or informal organization representing residents of a targeted neighborhood. The city may use state money available under section 7 to pay for the costs of staffing the review board.

(e) The review board shall review the city's preliminary program and approve all or portions of the program. In reviewing the program, the review board shall take into account any comments submitted by state agencies under paragraph (c). The review board may only reject the revitalization program or portions of the program for the following reasons:

(1) the revitalization program does not include the information required under subdivision 1;

(2) the city did not follow the community-based process required under subdivision 2 for developing the revitalization program; or

(3) the revitalization program results in undue concentration of targeted neighborhood money in a single proposed activity or project.

The review board may approve all of the preliminary program and submit it to the city council for certification under paragraph (f) or submit for certification only those specific portions of the program approved by the review board. If the review board does not approve a portion of the program, it shall specify in writing to the city the reasons for not approving that portion of the program and any recommendations for changes. If the review board determines that a portion of the program needs significant changes, it may require the city to implement the community participation process under subdivision 2 and state review under this subdivision for making changes to that portion of the program.

(f) The city council may, by formal resolution, certify only those portions of a program approved by the review board under paragraph (e). A certification by the city council that all or portions of a revitalization program has been approved by the review board must be provided to the commissioner together with a copy of the approved portions of the program. A copy of the approved portions of the program must be submitted to the Minnesota housing finance agency.

(g) A revitalization program may be modified at any time by the city after a public hearing and approval by the review board. Notice of the public hearing must be published in a newspaper of general circulation in the city and in the targeted neighborhoods not less than ten days nor more than 30 days before the date of the hearing. If the review board determines that the proposed modification is a significant modification to the program originally certified under paragraph (f), it must require the implementation of the revitalization program approval and certification process under this subdivision for the proposed modification.

#### Sec. 9. [REPEALER.]

Laws 1974, chapter 351, sections 1, 2, 3, and 4, as amended by Laws 1975, chapter 260, section 5; and Laws 1975, chapter 260, sections 1, 2, 3, 4, and 5 are repealed.

#### Sec. 10. [EFFECTIVE DATE; REHABILITATION LOAN AND GRANT PROGRAM.]

Sections 1 to 9 are effective the day after enactment without local approval in accordance with Minnesota Statutes, section 645.023, subdivision 1, clause (a).

### ARTICLE 5

#### OTHER HOUSING PROVISIONS

Section 1. Minnesota Statutes 1988, section 282.01, subdivision 1, is amended to read:

Subdivision 1. [CLASSIFICATION; USE; EXCHANGE.] It is the general policy of this state to encourage the best use of tax-forfeited lands, recognizing that some lands in public ownership should be retained and managed for public benefits while other lands should be returned to private ownership. All parcels of land becoming the property of the state in trust under the provisions of any law now existing or hereafter enacted declaring the forfeiture of lands to the state for taxes, shall be classified by the county board of the county wherein such parcels lie as conservation or nonconservation. Such classification shall be made with consideration, among other things, to the present use of adjacent lands, the productivity of the soil, the character of forest or other growth, accessibility of lands to established roads, schools, and other public services, their peculiar suitability or desirability for particular uses and the suitability of the forest resources on the land for multiple use, sustained yield management. Such classification, furthermore, shall aid: to encourage and foster a mode of land utilization that will facilitate the economical and adequate provision of transportation, roads, water supply, drainage, sanitation, education, and recreation; to facilitate reduction of governmental expenditures; to conserve and develop the natural resources; and to foster and develop agriculture and other industries in the districts and places best suited thereto.

In making such classification the county board may make use of such data and information as may be made available by any office or department of the federal, state, or local governments, or by any other person or agency possessing information pertinent thereto at the time such classification is made. Such lands may be reclassified from time to time as the county board may deem necessary or desirable, except as to conservation lands held by the state free from any trust in favor of any taxing district.

If any such lands are located within the boundaries of any organized town, with taxable valuation in excess of \$20,000, or incorporated municipality, the classification or reclassification and sale shall first be approved by the town board of such town or the governing body of such municipality insofar as the lands located therein are concerned. The town board of the town or the governing body of the municipality will be deemed to have approved the classification or reclassification and sale if the county board is not notified of the disapproval of the classification or reclassification and sale within 90 days of the date the request for approval was transmitted to the town board of the town or governing body of the municipality. If the town board or governing body desires to acquire any parcel lying in the town or municipality by procedures authorized in this subdivision, it shall, within 90 days of the request for classification or reclassification and sale, file a written application with the county board to withhold the parcel from public sale. The county board shall then withhold the parcel from public sale for one year.



Any tax-forfeited lands may be sold by the county board to any organized or incorporated governmental subdivision of the state for any public purpose for which such subdivision is authorized to acquire property or may be released from the trust in favor of the taxing districts upon application of any state agency for any authorized use at not less than their value as determined by the county board. The commissioner of revenue shall have power to convey by deed in the name of the state any tract of tax-forfeited land held in trust in favor of the taxing districts, to any governmental subdivision for any authorized public use, provided that an application therefor shall be submitted to the commissioner with a statement of facts as to the use to be made of such tract and the need therefor and the recommendation of the county board; and provided further, that upon application of a political subdivision and the filing with the commissioner of revenue and the county board of a resolution adopted by the governing body of the political subdivision finding that the conveyance of a tract of tax-forfeited land to the political subdivision is necessary to provide for the redevelopment of land as productive taxable property, the commissioner of revenue shall convey by deed in the name of the state the tract of land to the political subdivision. The deed of conveyance shall be upon a form approved by the attorney general and shall be conditioned upon continued use for the purpose stated in the application, provided, however, that if the governing body of such governmental subdivision by resolution determines that some other public use shall be made of such lands, and such change of use is approved by the county board and an application for such change of use is made to, and approved by, the commissioner, such changed use may be made of such lands without the necessity of the governing body conveying the lands back to the state and securing a new conveyance from the state to the governmental subdivision for such new public use.

Whenever any governmental subdivision to which any tax-forfeited land has been conveyed for a specified public use as provided in this section shall fail to put such land to such use, or to some other authorized public use as provided herein, or shall abandon such use, the governing body of the subdivision shall authorize the proper officers to convey the same, or such portion thereof not required for an authorized public use, to the state of Minnesota, and such officers shall execute a deed of such conveyance forthwith, which conveyance shall be subject to the approval of the commissioner and in form approved by the attorney general, provided, however, that a sale, lease, transfer or other conveyance of such lands by a housing and redevelopment authority, a port authority, an economic development authority, or a city as authorized by sections 469.001 to 469.047 chapter 469 shall not be an abandonment of such use and such lands shall not be reconveyed to the state nor shall they revert to the state. A certificate made by a housing and redevelopment authority, a port authority, an economic development authority, or a city referring to a conveyance by it and stating that the conveyance has been made as authorized by sections 469.001 to 469.047 chapter

469 may be filed with the county recorder or registrar of titles, and the rights of reverter in favor of the state provided by this subdivision will then terminate. No vote of the people shall be required for such conveyance. In case any such land shall not be so conveyed to the state, the commissioner of revenue shall by written instrument, in form approved by the attorney general, declare the same to have reverted to the state, and shall serve a notice thereof, with a copy of the declaration, by certified mail upon the clerk or recorder of the governmental subdivision concerned; provided, that no declaration of reversion shall be made earlier than five years from the date of conveyance for failure to put such land to such use or from the date of abandonment of such use if such lands have been put to such use. The commissioner shall file the original declaration in the commissioner's office, with verified proof of service as herein required. The governmental subdivision may appeal to the district court of the county in which the land lies by filing with the court administrator a notice of appeal, specifying the grounds of appeal and the description of the land involved, mailing a copy thereof by certified mail to the commissioner of revenue, and filing a copy thereof for record with the county recorder or registrar of titles, all within 30 days after the mailing of the notice of reversion. The appeal shall be tried by the court in like manner as a civil action. If no appeal is taken as herein provided, the declaration of reversion shall be final. The commissioner of revenue shall file for record with the county recorder or registrar of titles, of the county within which the land lies, a certified copy of the declaration of reversion and proof of service.

Any city of the first class now or hereafter having a population of 450,000, or over, or its board of park commissioners, which has acquired tax-forfeited land for a specified public use pursuant to the terms of this section, may convey said land in exchange for other land of substantially equal worth located in said city of the first class, provided that the land conveyed to said city of the first class now or hereafter having a population of 450,000, or over, or its board of park commissioners, in exchange shall be subject to the public use and reversionary provisions of this section; the tax-forfeited land so conveyed shall thereafter be free and discharged from the public use and reversionary provisions of this section, provided that said exchange shall in no way affect the mineral or mineral rights of the state of Minnesota, if any, in the lands so exchanged.

Sec. 2. Minnesota Statutes 1988, section 462A.05, subdivision 24, is amended to read:

Subd. 24. It may engage in housing programs for low and moderate income elderly, handicapped, or developmentally disabled persons, as defined by the agency, to provide grants or loans, with or without interest, for

(1) accessibility improvements to residences occupied by elderly persons;

(2) housing sponsors, as defined by the agency, of home sharing programs to match existing elderly homeowners with prospective tenants who will contribute either rent or services to the homeowner, where either the homeowner or the prospective tenant is elderly, handicapped, or developmentally disabled;

(3) the construction of or conversion of existing buildings into structures for occupancy by the elderly that contain from three to 12 private sleeping rooms with shared cooking facilities and common space; and

(4) housing sponsors, as defined by the agency, to demonstrate the potential for home equity conversion in Minnesota for the elderly, in both rural and urban areas, and to determine the need in those equity conversions for consumer safeguards.

In making the grants or loans, the agency shall determine the terms and conditions of repayment and the appropriate security, if any, should repayment be required. The agency may provide technical assistance to sponsors of home sharing programs or may contract or delegate the provision of the technical assistance in accordance with section 462A.07, subdivision 12.

Housing sponsors who receive funding through these programs shall provide homeowners and tenants participating in a home sharing program with information regarding their rights and obligations as they relate to federal and state tax law including, but not limited to, taxable rental income, homestead credit under chapter 273, and the property tax refund act under chapter 290A.

Sec. 3. Minnesota Statutes 1988, section 462C.02, is amended by adding a subdivision to read:

Subd. 12. [LOAN.] "Loan" means:

(1) for single family housing, any loan, mortgage, or other form of owner financing; and

(2) for multifamily housing developments which are rental property, any loan, mortgage, financing lease, or revenue agreement.

Sec. 4. Minnesota Statutes 1988, section 462C.02, is amended by adding a subdivision to read:

Subd. 13. [REVENUE AGREEMENT] "Revenue agreement" has the meaning given that term in section 469.153, subdivision 10.

Sec. 5. Minnesota Statutes 1988, section 462C.05, is amended by adding a subdivision to read:

Subd. 8. [REVENUE AGREEMENT AND FINANCING LEASE.] Any revenue agreement or financing lease that includes a provision for a conveyance of real estate to the lessee or contracting party may be terminated in accordance with the revenue agreement or financing lease, notwithstanding that the revenue agreement or financing lease may constitute an equitable mortgage. No financing lease of any development shall be subject to section 504.02, unless expressly so provided in the financing lease. Leases of specific dwelling units in the development to the tenants thereof are not affected by this subdivision.

Sec. 6. Minnesota Statutes 1988, section 463.15, subdivision 3, is amended to read:

Subd. 3. [HAZARDOUS BUILDING PROPERTY.] "Real property, including any building, shall be deemed hazardous building" means any building which if the property, because of inadequate maintenance, dilapidation, physical damage, unsanitary condition, or abandonment, constitutes a fire hazard or a hazard to public safety or health.

Sec. 7. Minnesota Statutes 1988, section 463.15, subdivision 4, is amended to read:

Subd. 4. [OWNER, OWNER OF RECORD, AND LIEN HOLDER OF RECORD.] "Owner," "owner of record," and "lien holder of record" means a person having a right or interest in property to which Laws 1967, chapter 324, applies described in subdivision 3 and evidence of which is filed and recorded in the office of the county recorder or registrar of titles in the county in which the property is situated.

Sec. 8. [465.271] [HAZARDOUS PROPERTY PENALTY.]

Any home rule charter or statutory city may assess a penalty up to one percent of the market value of real property, including any building located within the city that the city determines to be hazardous as defined in section 463.15, subdivision 3. The city shall send a written notice to the address to which the property tax statement is sent at least 90 days before it may assess the penalty. If the owner of the property has not paid the penalty and fixed the property within 90 days after receiving notice of the penalty, the penalty is considered delinquent and is increased by 25 percent each 60 days the penalty is not paid and the property remains hazardous. For the purposes of this section, a penalty that is delinquent is considered a delinquent property tax and subject to chapters 279, 280, and 281, in the same manner as delinquent property taxes.

Sec. 9. Minnesota Statutes 1988, section 469.007, is amended to read:

**469.007 [POWERS OF COUNTY AND MULTICOUNTY AUTHORITIES.]**

**Subdivision 1. [POWERS.]** A county or multicounty authority and its commissioners shall, within the area of operation of the authority, have the same functions, rights, powers, duties, privileges, immunities, and limitations as are provided for housing and redevelopment authorities created for cities, and for the commissioners of those authorities. The provisions of law applicable to housing and redevelopment authorities created for cities and their commissioners shall be applicable to county and multicounty authorities and their commissioners, except as clearly indicated otherwise.

**Subd. 2. [POWERS AS TO HOUSING DEVELOPMENT PROJECTS.]** When a county or multicounty authority undertakes any housing project or housing development project involving the acquisition of multifamily housing rental properties that (1) were financed under the Federal Section 8 or Section 236 programs, or (2) are designed to be affordable to persons or families with incomes not greater than 80 percent of median income for the metropolitan statistical area or nonmetropolitan county, and are located within any village, city, or township, the authority shall notify the governing body of such village, city, or township in writing of the location of such housing project or housing development project. If the governing body fails to take action on a housing project or housing development project in a writing which sets forth its reasons for such action within 30 days, the governing body shall be deemed to have approved the location of such housing project or housing development project for purposes of any special or general law requiring local approval of the location of housing projects and housing development projects undertaken by county or multicounty authorities.

Sec. 10. Minnesota Statutes 1988, section 469.012, subdivision 1, is amended to read:

**Subdivision 1. [SCHEDULE OF POWERS.]** An authority shall be a public body corporate and politic and shall have all the powers necessary or convenient to carry out the purposes of sections 469.001 to 469.047, except that the power to levy and collect taxes or special assessments is limited to the power provided in sections 469.027 to 469.033. Its powers include the following powers in addition to others granted in sections 469.001 to 469.047:

(1) to sue and be sued; to have a seal, which shall be judicially noticed, and to alter it; to have perpetual succession; and to make, amend, and repeal rules consistent with sections 469.001 to 469.047;

(2) to employ an executive director, technical experts, and officers, agents, and employees, permanent and temporary, that it requires, and determine their qualifications, duties, and compensation; for legal services it requires, to call upon the chief law officer of the city or to employ its own counsel and legal staff; so far as practicable, to use the services of local public bodies in its area of operation, provided that those local public bodies, if requested, shall make the services available;

(3) to delegate to one or more of its agents or employees the powers or duties it deems proper;

(4) within its area of operation, to undertake, prepare, carry out, and operate projects and to provide for the construction, reconstruction, improvement, extension, alteration, or repair of any project or part thereof;

(5) subject to the provisions of section 469.026, to give, sell, transfer, convey, or otherwise dispose of real or personal property or any interest therein and to execute leases, deeds, conveyances, negotiable instruments, purchase agreements, and other contracts or instruments, and take action that is necessary or convenient to carry out the purposes of these sections;

(6) within its area of operation, to acquire real or personal property or any interest therein by gifts, grant, purchase, exchange, lease, transfer, bequest, devise, or otherwise, and by the exercise of the power of eminent domain, in the manner provided by chapter 117, to acquire real property which it may deem necessary for its purposes, after the adoption by it of a resolution declaring that the acquisition of the real property is necessary to eliminate one or more of the conditions found to exist in the resolution adopted pursuant to section 469.003 or to provide decent, safe, and sanitary housing for persons of low and moderate income, or is necessary to carry out a redevelopment project. Real property needed or convenient for a project may be acquired by the authority for the project by condemnation pursuant to this section. This includes any property devoted to a public use, whether or not held in trust, notwithstanding that the property may have been previously acquired by condemnation or is owned by a public utility corporation, because the public use in conformity with the provisions of sections 469.001 to 469.047 shall be deemed a superior public use. Property devoted to a public use may be so acquired only if the governing body of the municipality has approved its acquisition by the authority. An award of compensation shall not be increased by reason of any increase in the value of the real property caused by the assembly, clearance or reconstruction, or proposed assembly, clearance or reconstruction for the purposes of sections 469.001 to 469.047 of the real property in an area;

(7) within its area of operation, and without the adoption of an

urban renewal plan, to acquire, by all means as set forth in clause (6) but without the adoption of a resolution provided for in clause (6), real property, and to demolish, remove, rehabilitate, or reconstruct the buildings and improvements or construct new buildings and improvements thereon, or to so provide through other means as set forth in Laws 1974, chapter 228, or to grade, fill, and construct foundations or otherwise prepare the site for improvements. The authority may dispose of the property pursuant to section 469.029, provided that the provisions of section 469.029 requiring conformance to an urban renewal plan shall not apply. The authority may finance these activities by means of the redevelopment project fund or by means of tax increments or tax increment bonds or by the methods of financing provided for in section 469.033 or by means of contributions from the municipality provided for in section 469.041, clause (9), or by any combination of those means. Real property with buildings or improvements thereon shall only be acquired under this clause when the buildings or improvements are substandard. The exercise of the power of eminent domain under this clause shall be limited to real property which contains buildings and improvements which are vacated and substandard. For the purpose of this clause, substandard buildings or improvements mean hazardous buildings as defined in section 463.15, subdivision 3, or buildings or improvements that are dilapidated or obsolescent, faultily designed, lack adequate ventilation, light, or sanitary facilities, or any combination of these or other factors that are detrimental to the safety or health of the community;

(8) within its area of operation, to determine the level of income constituting low or moderate family income. The authority may establish various income levels for various family sizes. In making its determination, the authority may consider income levels that may be established by the federal housing administration or a similar or successor federal agency for the purpose of federal loan guarantees or subsidies for persons of low or moderate income. The authority may use that determination as a basis for the maximum amount of income for admissions to housing development projects or housing projects owned or operated by it;

(9) to provide in federally assisted projects any relocation payments and assistance necessary to comply with the requirements of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and any amendments or supplements thereto;

(10) to make, or agree to make, payments in lieu of taxes to the city or the county, the state or any political subdivision thereof, that it finds consistent with the purposes of sections 469.001 to 469.047;

(11) to cooperate with or act as agent for the federal government, the state or any state public body, or any agency or instrumentality of the foregoing, in carrying out any of the provisions of sections

469.001 to 469.047 or of any other related federal, state, or local legislation; and upon the consent of the governing body of the city to purchase, lease, manage, or otherwise take over any housing project already owned and operated by the federal government;

(12) to make plans for carrying out a program of voluntary repair and rehabilitation of buildings and improvements, and plans for the enforcement of laws, codes, and regulations relating to the use of land and the use and occupancy of buildings and improvements, and to the compulsory repair, rehabilitation, demolition, or removal of buildings and improvements. The authority may develop, test, and report methods and techniques, and carry out demonstrations and other activities for the prevention and elimination of slums and blight;

(13) to borrow money or other property and accept contributions, grants, gifts, services, or other assistance from the federal government, the state government, state public bodies, or from any other public or private sources;

(14) to include in any contract for financial assistance with the federal government any conditions that the federal government may attach to its financial aid of a project, not inconsistent with purposes of sections 469.001 to 469.047, including obligating itself (which obligation shall be specifically enforceable and not constitute a mortgage, notwithstanding any other laws) to convey to the federal government the project to which the contract relates upon the occurrence of a substantial default with respect to the covenants or conditions to which the authority is subject; to provide in the contract that, in case of such conveyance, the federal government may complete, operate, manage, lease, convey, or otherwise deal with the project until the defaults are cured if the federal government agrees in the contract to reconvey to the authority the project as then constituted when the defaults have been cured;

(15) to issue bonds for any of its corporate purposes and to secure the bonds by mortgages upon property held or to be held by it or by pledge of its revenues, including grants or contributions;

(16) to invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control or in the manner and subject to the conditions provided in section 475.66 for the deposit and investment of debt service funds;

(17) within its area of operation, to determine where blight exists or where there is unsafe, unsanitary, or overcrowded housing;

(18) to carry out studies of the housing and redevelopment needs within its area of operation and of the meeting of those needs. This



includes study of data on population and family groups and their distribution according to income groups, the amount and quality of available housing and its distribution according to rentals and sales prices, employment, wages, desirable patterns for land use and community growth, and other factors affecting the local housing and redevelopment needs and the meeting of those needs; to make the results of those studies and analyses available to the public and to building, housing, and supply industries;

(19) if a local public body does not have a planning agency or the planning agency has not produced a comprehensive or general community development plan, to make or cause to be made a plan to be used as a guide in the more detailed planning of housing and redevelopment areas;

(20) to lease or rent any dwellings, accommodations, lands, buildings, structures, or facilities included in any project and, subject to the limitations contained in sections 469.001 to 469.047 with respect to the rental of dwellings in housing projects, to establish and revise the rents or charges therefor;

(21) to own, hold, and improve real or personal property and to sell, lease, exchange, transfer, assign, pledge, or dispose of any real or personal property or any interest therein;

(22) to insure or provide for the insurance of any real or personal property or operations of the authority against any risks or hazards;

(23) to procure or agree to the procurement of government insurance or guarantees of the payment of any bonds or parts thereof issued by an authority and to pay premiums on the insurance;

(24) to make expenditures necessary to carry out the purposes of sections 469.001 to 469.047;

(25) to enter into an agreement or agreements with any state public body to provide informational service and relocation assistance to families, individuals, business concerns, and nonprofit organizations displaced or to be displaced by the activities of any state public body;

(26) to compile and maintain a catalog of all vacant, open and undeveloped land, or land which contains substandard buildings and improvements as that term is defined in clause (7), that is owned or controlled by the authority or by the governing body within its area of operation and to compile and maintain a catalog of all authority owned real property that is in excess of the foreseeable needs of the authority, in order to determine and recommend if the real property compiled in either catalog is appropriate for disposal pursuant to the provisions of section 469.029, subdivisions 9 and 10;

(27) to recommend to the city concerning the enforcement of the applicable health, housing, building, fire prevention, and housing maintenance code requirements as they relate to residential dwelling structures that are being rehabilitated by low or moderate income persons pursuant to section 469.029, subdivision 9, for the period of time necessary to complete the rehabilitation, as determined by the authority;

(28) to recommend to the city the initiation of municipal powers, against certain real properties, relating to repair, closing, condemnation, or demolition of unsafe, unsanitary, hazardous, and unfit buildings, as provided in section 469.041, clause (5); and

(29) to sell, at private or public sale, at the price or prices determined by the authority, any note, mortgage, lease, sublease, lease purchase, or other instrument or obligation evidencing or securing a loan made for the purpose of economic development, job creation, redevelopment, or community revitalization by a public agency to a business, for-profit or nonprofit organization, or an individual; and

(30) within its area of operation, to acquire and sell real property that is benefited by federal housing assistance payments, other rental subsidies, or interest reduction payments, other rental subsidies, or interest reduction contracts for the purpose of preserving the affordability of low- and moderate-income multifamily housing.

#### Sec. 11. [EFFECTIVE DATE.]

Section 9 is effective the day following final enactment.

### ARTICLE 6

#### HOUSING IMPACT REPORT

##### Section 1. [504.30] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in this section apply to sections 1 to 5.

Subd. 2. [CITY.] "City" means any statutory or home rule charter city. The term "city" also includes a port authority, economic development authority, a housing and redevelopment authority, or any development agency established under chapter 469 which share common boundaries with the city.

Subd. 3. [DISPLACE.] "Displace" means to demolish, acquire for or convert to a use other than low-income housing, or to provide or expend funds that directly result in demolition, acquisition for or conversion to a use other than low-income housing.

"Displace" does not include providing or expending funds that directly result in, and are limited to, those improvements of housing which are made to comply with health, housing, building, fire prevention, housing maintenance, or energy codes or standards of the applicable government unit, or to make the housing more accessible to any handicapped person.

Subd. 4. [GOVERNMENT UNIT.] "Government unit" means any state agency; any public or private agency, corporation, or entity receiving a direct appropriation from the state for the purpose of a project that would displace low-income housing; or any general or special purpose unit of government in the state, including, but not limited to, any city, county, county housing and redevelopment authority, town, and regional development commission.

Subd. 5. [LOW-INCOME HOUSING.] "Low-income housing" means rental housing with a rent less than or equal to 30 percent of 50 percent of the median income for the county in which the rental housing is located, adjusted by size. "Low-income housing" also includes rental housing that has been vacant for less than two years, that was low-income housing when it was last occupied, and that is not condemned as being unfit for human habitation by the applicable government unit.

Subd. 6. [RENTAL HOUSING.] "Rental housing" includes, but is not limited to, rental apartments, rooms, and housing; board and lodging units; rooms in single-occupancy buildings and hotels that offer to be used as the sole residence of the occupant; transitional housing; and shelters. Rental housing does not include transitional housing located within a floodplain or community based residential facilities.

Subd. 7. [REPLACEMENT HOUSING.] "Replacement housing" means rental housing that shall:

(1) Be the lesser of (i) the number and corresponding size of low-income housing units displaced, or (ii) be sufficient in number and corresponding size of those low-income housing units displaced to meet the demand for those units;

(2) be low-income housing for the greater of 15 years or the compliance period of the federal low-income housing tax credit under United States Code, title 26, section 42(i)(1), as amended. This section does not prohibit increases in rent to cover operating expenses;

(3) be in at least standard condition; and

(4) be located in the city or town where the displaced low-income housing units were located.

Replacement housing may be provided as, but not limited to, newly constructed housing; or rehabilitated or rent subsidized existing housing that did not already qualify as low-income housing.

Subd. 8. [SIZE.] "Size" means the number of bedrooms in a housing unit.

Séc. 2. [504.31] [ANNUAL HOUSING IMPACT REPORT.]

Subdivision 1. [ANNUAL REPORT REQUIRED.] A government unit shall prepare an annual housing impact report for each year in which the government unit displaces ten or more units of low-income housing.

Subd. 2. [DRAFT ANNUAL HOUSING IMPACT REPORT.] A government unit subject to this section must prepare a draft annual housing impact report for review and comment by interested persons. The draft report must be completed by January 31 of the year immediately following a year in which the government unit has displaced ten or more units of low-income housing.

Subd. 3. [CONTENTS.] The draft and final annual housing impact reports must include:

(1) identification of each low-income housing unit that was displaced in the previous year in the city or town where housing was displaced by the government unit, including the unit's address, size, and rent; the number of persons who could have occupied the unit; the condition the unit was in, and whether it was habitable at the time of displacement; the owner of the unit; whether it was owner occupied; and how and when it was displaced;

(2) identification of each unit of replacement housing provided in the previous year in the city or town, including the unit's address, size, and rent; the number of persons who could occupy the unit; the owner of the unit; whether it is owner occupied; and an identification of the displaced low-income housing unit that was replaced by the unit of replacement housing;

(3) analysis of the supply of and demand for all sizes of low-income housing units, by size and rent, in the city or town;

(4) determination of whether there is an adequate supply of available and unoccupied low-income housing units to meet the demand for all sizes of low-income housing, by size and rent, in the city or town where housing has been displaced by the government unit;

(5) estimation of the cost of providing replacement housing for low-income housing not in adequate supply to meet the demand for

all sizes of low-income housing, by size and rent, in the city or town where housing has been displaced by the government unit; and

(6) analysis of the government unit's compliance with the replacement plans of previous housing annual impact reports and project housing impact statements.

Subd. 4. [REPLACEMENT PLAN.] If there is an inadequate supply of available and unoccupied low-income housing units to meet the demand for the replacement housing in the city or town where housing has been displaced by the government unit, the draft and final annual housing impact reports shall include a plan for providing the replacement housing within 36 months following the date of the final annual housing impact report.

Subd. 5. [NOTICE; REQUEST FOR COMMENTS.] A government unit subject to this section must provide for public input in preparing the annual housing impact report, including a public comment period and a public hearing. The government unit must publish notice of its draft annual housing impact report in a newspaper of general circulation in the city or town by the deadline for completion of the draft annual housing impact report. The notice must include a request for comments on the draft annual housing impact report within the 30 days following the notice, and notice of the date, time, and location of a public hearing on the draft annual housing impact report to be held within 15 to 30 days following the date of notice. Copies of the notice must be sent to the neighborhood and citizen participation organizations, district planning councils, housing referral and information services, shelters, homeless and tenants advocacy groups, and legal aid offices in the city or town where the displaced low-income housing was located. Copies of the notice and the draft annual housing impact report must be submitted to the state planning agency and the Minnesota housing finance agency.

Subd. 6. [FINAL ANNUAL HOUSING IMPACT REPORT.] In preparing and approving a final annual housing impact report, a government unit subject to this section must consider comments received during the comment period and at the public hearing on the draft report. The final report shall be prepared within 30 days following the deadline for receipt of comments on the draft annual housing impact report. The government unit shall publish notice of the final annual housing impact report in a newspaper of general circulation in the city or town. Copies of the notice must be sent to neighborhood and citizen participation organizations, district planning councils, housing referral and information services, shelters, homeless and tenants advocacy groups, and legal aid offices in the city or town where the displaced low-income housing was located. Copies of the notice and the draft annual housing impact report must be submitted to the state planning agency and the Minnesota housing finance agency.

## Sec. 3. [504.32] [REPLACEMENT HOUSING REQUIRED.]

A government unit subject to section 2 must provide the replacement housing within 36 months following the date of the final annual housing impact report, unless there is an adequate supply of available and unoccupied low-income housing units to meet the demand for the replacement housing in the city or town where housing has been displaced by the government unit.

Delete the title and insert:

“A bill for an act relating to housing; authorizing the establishment of affordable housing programs under the administration of the Minnesota housing finance agency; establishing a neighborhood preservation program; revising certain tenant damage provisions in landlord-tenant actions; regulating tenant screening services; providing for rent escrow systems; providing for building repair fines; changing the youth employment and housing program from a design stage to an implementation stage; revising the Minneapolis and Saint Paul acquisition and rehabilitation loan and grant program; establishing a fair housing education and public information program; expanding the homesharing program; revising certain housing receivership provisions; changing notice and redemption provisions for certain types of properties; requiring housing impact reports; appropriating money; imposing penalties; amending Minnesota Statutes 1988, sections 268.361, subdivision 4, and by adding a subdivision; 268.362; 268.364; 268.365; 268.366; 268.367; 282.01, subdivision 1; 462A.05, subdivisions 24, 27, and by adding subdivisions; 462A.21, subdivisions 4k, 12, and by adding subdivisions; 462C.02, by adding subdivisions; 462C.05, by adding a subdivision; 463.15, subdivisions 3 and 4; 463.21; 469.007; 469.012, subdivision 1; 504.255; 504.26; 566.29, subdivisions 1, 4, and by adding subdivisions; 580.04; 580.12; 581.10; 582.03; 582.30, subdivision 2; Laws 1974, chapter 285, sections 1, 2, 3, 4, and by adding a section; and Laws 1987, chapter 386, article 6, section 6, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 465; 504; 566; 580; and 582; repealing Laws 1974, chapter 351, sections 1, 2, 3, and 4, as amended; and Laws 1975, chapter 260, sections 1, 2, 3, 4, and 5.”

The motion prevailed and the amendment was adopted.

Frerichs; Olsen, S., and Tjornhom moved to amend S. F. No. 522, as amended, as follows:

Page 51, lines 14 and 15, delete “statutory or home rule charter” and after “city” insert “of the first class”

A roll call was requested and properly seconded.

The question was taken on the Frerichs et al amendment and the roll was called. There were 80 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kalis	Olsen, S.	Schafer
Anderson, R.	Frerichs	Kinkel	Olson, E.	Schreiber
Bennett	Girard	Knickerbocker	Olson, K.	Seaberg
Bishop	Gruenes	Kostohryz	Omann	Segal
Blatz	Gutknecht	Lasley	Onnen	Sparby
Brown	Hartle	Limmer	Ostrom	Stanisus
Burger	Hasskamp	Lynch	Ozment	Swigum
Carlson, D.	Haukoos	Macklin	Pauly	Swenson
Carlson, L.	Heap	Marsh	Pellow	Tjornhom
Carruthers	Henry	McDonald	Pelowski	Tompkins
Cooper	Himle	McGuire	Poppenhagen	Uphus
Dauner	Hugoson	McPherson	Pugh	Valento
Dempsey	Jacobs	Miller	Redalen	Waltman
Dille	Jennings	Morrison	Reding	Weaver
Dorn	Johnson, R.	Munger	Richter	Wenzel
Forsythe	Johnson, V.	Neuenschwander	Runbeck	Williams

Those who voted in the negative were:

Anderson, G.	Greenfield	McLaughlin	Peterson	Steensma
Battaglia	Jaros	Murphy	Price	Trimble
Bauerly	Jefferson	Nelson, C.	Quinn	Tunheim
Beard	Johnson, A.	Nelson, K.	Rice	Vellenga
Begich	Kahn	O'Connor	Rodosovich	Wagenius
Bertram	Kelly	Ogren	Rukavina	Welle
Boo	Kelso	Orenstein	Sarna	Winter
Clark	Krueger	Osthoff	Simoneau	Wynia
Conway	Long	Otis	Skoglund	Spk. Vanasek
Dawkins	McEachern	Pappas	Solberg	

The motion prevailed and the amendment was adopted.

S. F. No. 522, A bill for an act relating to housing; authorizing the establishment of affordable housing programs under the administration of the Minnesota housing finance agency; establishing a neighborhood preservation program; revising certain tenant damage provisions in landlord-tenant actions; regulating tenant screening services; establishing a rent escrow system; providing mandatory building repair fines; authorizing a housing calendar consolidation pilot project in Hennepin and Ramsey counties; requiring housing impact statements; revising certain housing receivership provisions; providing a limited right of entry to secure vacant or unoccupied buildings; providing for city housing rehabilitation loan programs; establishing the community and neighborhood development organization program; establishing a child development program; authorizing a neighborhood revitalization program; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 4.071; 282.01, subdivision 1; 462A.03, by adding a subdivision; 462A.05, subdivision 27, and by adding subdivisions; 462A.21, subdivisions 4k, 12, and by adding subdivisions; 462C.02, by adding subdivisions; 462C.05, by adding a subdivision; 463.15,

subdivisions 3 and 4; 463.16; 463.161; 463.17; 463.20; 463.21; 463.22; 469.012, subdivision 1; 504.255; 504.26; 566.17; 566.175, subdivision 1; 566.29, subdivisions 1, 4, and by adding subdivisions; 582.03; Laws 1971, chapter 333, as amended, by adding a section; Laws 1974, chapters 285, sections 2, 3, 4, and by adding a section; and 475, by adding a section; proposing coding for new law in Minnesota Statutes, chapters 116J; 129A; 145; 268; 363; 412; 462A; 469; 471; 504; 566; and 582; repealing Laws 1974, chapter 351, sections 1 to 4, as amended; Laws 1975, chapter 260, sections 1 to 5; and Laws 1987, chapters 384, article 3, section 22; and 386, article 6, sections 4 to 11.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed, as amended, and its title agreed to.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Peterson introduced:



H. F. No. 1765, A bill for an act relating to state and local government; regulating construction permits; amending Minnesota Statutes 1988, section 15.41; proposing coding for new law in Minnesota Statutes, chapter 386.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Gutknecht, Osthoff, Jacobs, Wenzel and Dempsey introduced:

H. F. No. 1766, A bill for an act relating to taxation; income; allowing the school tuition subtraction to nonitemizers; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

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

Otis, Hasskamp, Marsh, Kelly and Tjornhom introduced:

H. F. No. 1767, A resolution memorializing the management of the National Hockey League to take action to end the violence in professional hockey.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Murphy, Trimble, Pauly, Pelowski and Rest introduced:

H. F. No. 1768, A bill for an act relating to taxation; providing an income and property tax refund return checkoff for the support of public libraries; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 290.

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

Trimble introduced:

H. F. No. 1769, A bill for an act relating to waste management; providing for demonstration projects in the admixture of sewage sludge ash in asphalt; proposing coding for new law in Minnesota Statutes 1988, chapter 473.

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

Marsh; Munger; Stanius; Johnson, R., and Weaver introduced:

H. F. No. 1770, A bill for an act relating to waters; wetlands identification, preservation, and management; amending Minnesota Statutes 1988, sections 105.38; 105.391, by adding subdivisions; and 106A.701, by adding a subdivision.

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

Lasley; Jennings; Peterson; Carlson, L., and Carlson, D., introduced:

H. F. No. 1771, A bill for an act relating to education; giving Cambridge full campus status in the community college system; appropriating money; amending Minnesota Statutes 1988, sections 136.60 and 136.602.

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

Murphy, Battaglia and McEachern introduced:

H. F. No. 1772, A bill for an act relating to towns; providing for state participation in sewer and water development; providing for the issuance of state bonds; 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 Local Government and Metropolitan Affairs.

Ogren; Anderson, R.; Vanasek; Seaberg and Simoneau introduced:

H. F. No. 1773, A bill for an act proposing an amendment to the Minnesota Constitution, article XIII, by adding a section; requiring that a state health care program be established for the uninsured.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Steensma, Winter, Dauner and Wenzel introduced:

H. F. No. 1774, A bill for an act relating to agriculture; authorizing a lien for agricultural input suppliers when a lender does not provide a letter of commitment; amending Minnesota Statutes 1988, section 514.952, subdivisions 4 and 5.

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

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Kelly, Pappas, Osthoff, Orenstein and Trimble introduced:

H. A. No. 15, A proposal to study the consolidation of Ramsey county law enforcement agencies.

The advisory was referred to the Committee on Judiciary.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 1432, A bill for an act relating to transportation; requiring nonrailroad lessors to comply with certain procedures before sale of property interests; amending Minnesota Statutes 1988, sections 222.631, by adding a subdivision; 222.632; and 222.633.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 837, A bill for an act relating to crimes; prohibiting the concealing of criminal proceeds; prohibiting racketeering; providing civil and criminal penalties for engaging in narcotics and violent offenses as part of an enterprise; authorizing the dissolution of a corporate charter, revocation of a license, and injunctive relief to prevent criminal activity by an enterprise; authorizing fines of three times the profit gained through racketeering; authorizing criminal

forfeiture; amending Minnesota Statutes 1988, section 541.07; proposing coding for new law in Minnesota Statutes, chapters 541 and 609.

PATRICK E. FLAHAVEN, Secretary of the Senate

Carruthers moved that the House refuse to concur in the Senate amendments to H. F. No. 837, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1160, A bill for an act relating to education; authorizing school district participation in certain energy efficiency projects; proposing coding for new law in Minnesota Statutes, chapter 124.

PATRICK E. FLAHAVEN, Secretary of the Senate

Bauerly moved that the House refuse to concur in the Senate amendments to H. F. No. 1160, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 260, A bill for an act relating to employment; providing for review of an employee's personnel record; providing for removal or revision of disputed information contained in an employee's personnel record; regulating use of omitted information; proposing coding for new law in Minnesota Statutes, chapter 181.

PATRICK E. FLAHAVEN, Secretary of the Senate

Trimble moved that the House refuse to concur in the Senate amendments to H. F. No. 260, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests

that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 166, A bill for an act relating to state agencies; providing that certain information submitted to department of transportation is public data; providing for development of internal auditing standards; classifying certain internal auditing data as other than public; defining terms; providing for limousine registration; exempting certain special transportation service providers holding current certificate of compliance from motor carrier regulations; delineating requirements of carriers to display certain information; providing for permits of special passenger carriers and household goods carriers; providing for operation under motor carrier permit on death of holder; providing for amount of insurance, bond, or other security required of motor carriers; giving commissioner of transportation subpoena power for certain enforcement purposes; providing for suspension of registration of interstate authority for failure to maintain insurance; amending Minnesota Statutes 1988, sections 13.72, by adding subdivisions; 16A.055, subdivision 1; 168.011, subdivision 35; 168.128, subdivision 2; 174.30, subdivision 6; 221.011, subdivisions 16, 20, and by adding a subdivision; 221.031, subdivision 6; 221.111; 221.121, subdivision 6a; 221.141, subdivision 1b, and by adding a subdivision; and 221.60, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 13; 65B; and 221.

PATRICK E. FLAHAVEN, Secretary of the Senate

Lasley moved that the House refuse to concur in the Senate amendments to H. F. No. 166, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 162, A bill for an act relating to insurance; regulating insurance information collection, use, disclosure, access, and correction practices; requiring reasons for adverse underwriting decisions; amending Minnesota Statutes 1988, section 72A.20, subdivision 11;

proposing coding for new law in Minnesota Statutes, chapter 72A.

PATRICK E. FLAHAVEN, Secretary of the Senate

Skoglund moved that the House refuse to concur in the Senate amendments to H. F. No. 162, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 59, A bill for an act relating to public safety; authorizing bonding for capital improvements; appropriating money to convert a regional treatment center for use as an adult correctional facility and to operate the facility; appropriating money for a variety of correctional and treatment programs; revising and increasing penalties for controlled substance crimes; authorizing increased sentences and juvenile court reference for controlled substance crimes committed within a drug free school or park zone; increasing penalties for a variety of other crimes; providing for life imprisonment without supervised release for persons convicted of first degree murder or a third criminal sexual conduct offense; providing for sex offender treatment programs; providing that an inmate who completes a sex offender treatment program is eligible for an adjustment to the supervised release date; providing for the collection and admissibility of DNA evidence; modifying certain forfeiture provisions; permitting a school-sponsored alcohol awareness program; requiring reporting of newborns with signs of controlled substance exposure and reporting of certain controlled substance use by pregnant women; providing for toxicology testing; requiring an education program to protect unborn children from such prenatal exposure; providing for civil commitment of pregnant women for certain controlled substance use; establishing a community crime prevention grant program; providing a soft body armor reimbursement program; creating a drug abuse prevention resource council; establishing a child protection system study commission; providing for a community resources program for cities of the first class; appropriating money; amending Minnesota Statutes 1988, sections 152.01, subdivision 7, and by adding subdivisions; 152.096, subdivision 1; 152.097, by adding a subdivision; 152.15, subdivision 4a; 152.151; 152.18, subdivision 1; 152.20; 152.21, subdivision 6; 169.09, subdivision 14; 243.05, subdivision 1; 244.05, subdivisions 1, 4, 5, and by adding a subdivision; 244.09, subdivision 5; 253B.02, subdivisions 2 and 10; 256.01, by adding a subdivision; 260.125, subdivision 3; 260.161, subdivision 1; 260.185, subdivision 1; 297D.09,

subdivision 1a; 299F.80, subdivision 1; 325D.56, subdivision 2; 340A.701; 340A.702; 526.10; 609.11, subdivisions 7 and 9; 609.185; 609.19; 609.195; 609.205; 609.221; 609.222; 609.223; 609.2231, subdivision 1; 609.255, subdivision 3; 609.2665; 609.267; 609.323, subdivision 1; 609.342, subdivision 2; 609.343, subdivision 2; 609.344, subdivision 2; 609.345, subdivision 2; 609.346; 609.377; 609.445; 609.48, subdivision 4; 609.487, subdivision 4; 609.52; 609.53, subdivisions 1 and 4; 609.5311, subdivision 3; 609.5314, subdivision 1; 609.5315, subdivision 1; 609.576; 609.62, subdivision 2; 609.631, subdivision 2; 609.86, subdivision 3; 611A.038; 624.701; 624.712, subdivision 5; and 626.556, subdivisions 2, 3, and 10; proposing coding for new law in Minnesota Statutes, chapters 116K; 121; 144; 152; 241; 242; 244; 299A; 299C; 466A; 609; 626; 634; and 638; repealing Minnesota Statutes 1988, sections 152.09; 152.15, subdivisions 1, 2, 2a, 2b, 3, and 5; 609.53, subdivisions 1a, 3, and 3a; and 609.55.

PATRICK E. FLAHAVEN, Secretary of the Senate

Kelly moved that the House refuse to concur in the Senate amendments to H. F. No. 59, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1355, A bill for an act relating to probate; modifying provisions for the award of sentimental property and family allowances; amending Minnesota Statutes 1988, sections 525.151; and 525.152.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Carruthers moved that the House concur in the Senate amendments to H. F. No. 1355 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1355, A bill for an act relating to probate; modifying provisions for the award of sentimental property and family allowances; amending Minnesota Statutes 1988, sections 525.151; and 525.152.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 146, A bill for an act relating to the education code; revising the text of certain chapters of the code without changing their meaning; amending Minnesota Statutes 1988, chapters 128; 128A; 128B; and 129; repealing Minnesota Statutes 1988, sections 128.04; 128.06; 128.069; 128A.04; 129.02; and 129.05 to 129.10.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Wagenius moved that the House concur in the Senate amend-



ments to H. F. No. 146 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 146, A bill for an act relating to the education code; revising the text of certain chapters of the code without changing their meaning; amending Minnesota Statutes 1988, chapters 128; 128A; 128B; and 129; repealing Minnesota Statutes 1988, sections 128.04; 128.06; 128.069; 128A.04; 129.02; and 129.05 to 129.10.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1502, A bill for an act relating to education; extending

the authority of Pine Point experimental school; amending Minnesota Statutes 1988, sections 128B.09 and 128B.10.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Poppenhagen moved that the House concur in the Senate amendments to H. F. No. 1502 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1502, A bill for an act relating to education; extending the authority of Pine Point experimental school; requiring the state auditor to audit the records of Pine Point school; requiring the department of education to evaluate continuation of the school; amending Minnesota Statutes 1988, sections 128B.09 and 128B.10.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 141, A bill for an act relating to education; correcting, clarifying, and changing certain education statutes; amending Minnesota Statutes 1988, sections 120.062, subdivisions 1 and 12; 120.075, subdivision 5; 120.0751, subdivision 6; 120.0752, subdivision 4; 121.88, subdivision 10; 121.904, subdivision 4a; 121.912, subdivision 1; 123.3515, subdivision 9; 123.36, subdivision 13; 123.705, subdivision 1; 124.155, subdivision 2; 124.214, subdivisions 2 and 3; 124.225, subdivisions 1, 4b, 7a, 7b, 8a, 8b, 8i, 8j, 8k, 8l, 10, and by adding a subdivision; 124.2445; 124.245, subdivision 6; 124.575, subdivision 1; 124A.24; 126.22, subdivisions 2 and 3; and 275.125, subdivisions 5b, 5c, 5e, 9, and 11d; Laws 1987, chapter 398, article 6, section 19, subdivision 9.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Nelson, K., moved that the House concur in the Senate amendments to H. F. No. 141 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 141, A bill for an act relating to education; correcting, clarifying, and changing certain education statutes; amending Minnesota Statutes 1988, sections 120.062, subdivisions 1 and 12; 120.075, subdivision 5; 120.0751, subdivision 6; 120.0752, subdivision 4; 121.904, subdivision 4a; 121.912, subdivision 1; 123.3515, subdivision 9; 123.36, subdivision 13; 123.705, subdivision 1; 124.155, subdivision 2; 124.214, subdivisions 2 and 3; 124.225, subdivisions 1, 4b, 7a, 7b, 8a, 8b, 8i, 8j, 8k, 8l, 10, and by adding a subdivision; 124.2445; 124.245, subdivision 6; 124.575, subdivision 1; 124A.24; 126.22, subdivisions 2 and 3; and 275.125, subdivisions 5b, 5c, 5e, 9, and 11d; Laws 1987, chapter 398, article 6, section 19, subdivision 9.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was repassed, as amended by the Senate, and its title agreed to.

### CONSENT CALENDAR

S. F. No. 764, A bill for an act relating to local government; changing conditions for the establishment and operation of special service districts in St. Cloud; amending Laws 1985, chapter 301, sections 5, subdivision 5; 7, subdivision 1; 9; 12; and 13, subdivision 2, and by adding a subdivision; repealing Laws 1985, chapter 301, section 7, subdivision 4.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Blatz	Dauner	Gruenes	Janezich
Anderson, G.	Boo	Dawkins	Gutknecht	Jaros
Anderson, R.	Brown	Dempsey	Hartle	Jefferson
Battaglia	Burger	Dille	Hasskamp	Jennings
Bauerly	Carlson, D.	Dorn	Haukoos	Johnson, A.
Beard	Carlson, L.	Forsythe	Heap	Johnson, R.
Begich	Carruthers	Frederick	Henry	Johnson, V.
Bennett	Clark	Frerichs	Himle	Kahn
Bertram	Conway	Girard	Hugoson	Kalis
Bishop	Cooper	Greenfield	Jacobs	Kelly

Kelso	Milbert	Ostrom	Rodosovich	Tompkins
Kinkel	Miller	Otis	Rukavina	Trimble
Knickerbocker	Morrison	Ozment	Runbeck	Tunheim
Kostohryz	Munger	Pappas	Sarna	Uphus
Krueger	Murphy	Pauly	Schafer	Valento
Lasley	Nelson, C.	Pellow	Schreiber	Vellenga
Lieder	Nelson, K.	Pelowski	Seaberg	Wagenius
Limmer	Neuenschwander	Peterson	Segal	Waltman
Long	O'Connor	Poppenhagen	Simoneau	Weaver
Lynch	Ogren	Price	Skoglund	Welle
Macklin	Olsen, S.	Pugh	Solberg	Wenzel
Marsh	Olson, E.	Quinn	Sparby	Williams
McDonald	Olson, K.	Redalen	Stanius	Winter
McEachern	Omann	Reding	Steensma	Spk. Vanasek
McGuire	Onnen	Rest	Sviggum	
McLaughlin	Orenstein	Rice	Swenson	
McPherson	Osthoff	Richter	Tjornhom	

The bill was passed and its title agreed to.

S. F. No. 1252, A bill for an act relating to local government; the towns of Crystal Bay, Beaver Bay, and Stony River, the cities of Beaver Bay and Silver Bay, and Unorganized Territory No. 1; permitting the establishment of a medical clinic district; permitting a hospital appropriation by the Cook county board; authorizing the establishment of a Cook county hospital district; adding and removing certain unorganized territory from a St. Louis county hospital district; validating hospital referenda; providing for certain bonded indebtedness of the city of Cook; amending Laws 1988, chapter 645, sections 1, subdivision 1, and by adding a subdivision; and 4.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Janezich	Macklin	Omann
Anderson, G.	Dawkins	Jaros	Marsh	Onnen
Anderson, R.	Dempsey	Jefferson	McDonald	Orenstein
Battaglia	Dille	Jennings	McEachern	Osthoff
Bauerly	Dorn	Johnson, A.	McGuire	Ostrom
Beard	Forsythe	Johnson, R.	McLaughlin	Otis
Begich	Frederick	Johnson, V.	McPherson	Ozment
Bennett	Frerichs	Kahn	Milbert	Pappas
Bertram	Girard	Kalis	Miller	Pauly
Bishop	Greenfield	Kelly	Morrison	Pellow
Blatz	Gruenes	Kelso	Munger	Pelowski
Boo	Gutknecht	Kinkel	Murphy	Peterson
Brown	Hartle	Knickerbocker	Nelson, C.	Poppenhagen
Burger	Hasskamp	Kostohryz	Nelson, K.	Price
Carlson, D.	Haukoos	Krueger	Neuenschwander	Pugh
Carlson, L.	Heap	Lasley	O'Connor	Quinn
Carruthers	Henry	Lieder	Ogren	Redalen
Clark	Himle	Limmer	Olsen, S.	Reding
Conway	Hugoson	Long	Olson, E.	Rest
Cooper	Jacobs	Lynch	Olson, K.	Rice

Richter	Segal	Sviggum	Valento	Williams
Rodosovich	Simoneau	Swenson	Vellenga	Winter
Rukavina	Skoglund	Tjornhom	Wagenius	Spk. Vanasek
Sarna	Solberg	Tompkins	Waltman	
Schafer	Sparby	Trimble	Weaver	
Schreiber	Stanius	Tunheim	Welle	
Seaberg	Steensma	Uphus	Wenzel	

The bill was passed and its title agreed to.

The following Conference Committee Reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 456

A bill for an act relating to human rights; allowing results of job evaluation systems as evidence in discrimination actions; amending Minnesota Statutes 1988, sections 43A.05, by adding a subdivision; and 471.997.

May 15, 1989

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

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H. F. No. 456, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment.

We request adoption of this report and repassage of the bill.

House Conferees: DIANE WRAY WILLIAMS, SIDNEY PAULY AND LOREN A. SOLBERG.

Senate Conferees: EMBER D. REICHGOTT, LINDA BERGLIN AND GARY W. LAIDIG.

Williams moved that the report of the Conference Committee on H. F. No. 456 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 456, A bill for an act relating to human rights; allowing results of job evaluation systems as evidence in discrimination

actions; amending Minnesota Statutes 1988, sections 43A.05, by adding a subdivision; and 471.997.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was repassed, as amended by Conference, and its title agreed to.

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 371.

A bill for an act relating to corrections; authorizing the commissioner of corrections to take photographs of juveniles committed to the commissioner for management and law enforcement purposes; amending Minnesota Statutes 1988, section 260.161, subdivision 3.

May 9, 1989

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

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H. F. No. 371, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 371 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 260.161, subdivision 3, is amended to read:

Subd. 3. (a) Peace officers' records of children shall be kept separate from records of persons 18 years of age or older and shall not be open to public inspection or their contents disclosed to the public except (1) by order of the juvenile court, or (2) as required by section 126.036, or (3) as authorized under chapter 13; except that traffic investigation reports may be open to inspection by a person who has sustained physical harm or economic loss as a result of the traffic accident. Except as provided in paragraph (c), no photographs of a child taken into custody may be taken without the consent of the juvenile court unless the child is alleged to have violated section 169.121 or 169.129. Any person violating any of the provisions of this subdivision shall be guilty of a misdemeanor.

(b) Nothing in this subdivision prohibits the exchange of information by law enforcement agencies if the exchanged information is pertinent and necessary to the requesting agency in initiating, furthering, or completing a criminal investigation.

(c) The commissioner of corrections may photograph juveniles whose legal custody is transferred to the commissioner. Photographs of juveniles authorized by this paragraph may be used only for institution management purposes and to assist law enforcement agencies to apprehend juvenile offenders. The commissioner shall maintain photographs of juveniles in the same manner as juvenile court records and names under this section.

Sec. 2. Minnesota Statutes 1988, section 332.51, subdivision 3, is amended to read:

Subd. 3. [LIABILITY OF PARENT OR GUARDIAN.] The provisions of Section 540.18 apply to this section, except that recovery is not limited to special damages.

Sec. 3. [EFFECTIVE DATE.]

Section 2 is effective August 1, 1989, and applies to crimes committed on or after that date."

Delete the title and insert:

"A bill for an act relating to corrections; authorizing the commissioner of corrections to take photographs of juveniles committed to



the commissioner for management and law enforcement purposes; removing certain limitations on parental liability for thefts by minors; amending Minnesota Statutes 1988, sections 260.161, subdivision 3; and 332.51, subdivision 3."

We request adoption of this report and repassage of the bill.

House Conferees: SANDY PAPPAS, RANDY C. KELLY AND BILL MACKLIN.

Senate Conferees: JOHN J. MARTY, ALLAN H. SPEAR AND PATRICK D. MCGOWAN.

Pappas moved that the report of the Conference Committee on H. F. No. 371 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 371, A bill for an act relating to corrections; authorizing the commissioner of corrections to take photographs of juveniles committed to the commissioner for management and law enforcement purposes; amending Minnesota Statutes 1988, section 260.161, subdivision 3.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Janezich	Macklin	Omann
Anderson, G.	Dawkins	Jaros	Marsh	Onnen
Anderson, R.	Dempsey	Jefferson	McDonald	Orenstein
Battaglia	Dille	Jennings	McEachern	Osthoff
Bauerly	Dorn	Johnson, A.	McGuire	Ostrom
Beard	Forsythe	Johnson, R.	McLaughlin	Otis
Begich	Frederick	Johnson, V.	McPherson	Ozment
Bennett	Frerichs	Kahn	Milbert	Pappas
Bertram	Girard	Kalis	Miller	Pauly
Bishop	Greenfield	Kelly	Morrison	Pellow
Blatz	Gruenes	Kelso	Munger	Pelowski
Boo	Gutknecht	Kinkel	Murphy	Peterson
Brown	Hartle	Knickerbocker	Nelson, C.	Poppenhagen
Burger	Hasskamp	Kostohryz	Nelson, K.	Price
Carlson, D.	Haukoos	Krueger	Neuenschwander	Pugh
Carlson, L.	Heap	Lasley	O'Connor	Quinn
Carruthers	Henry	Lieder	Ogren	Redalen
Clark	Himle	Limmer	Olsen, S.	Reding
Conway	Hugoson	Long	Olson, E.	Rest
Cooper	Jacobs	Lynch	Olson, K.	Rice

Richter	Seaberg	Steensma	Uphus	Wenzel
Rodosovich	Segal	Sviggum	Valento	Williams
Rukavina	Simoneau	Swenson	Vellenga	Winter
Runbeck	Skoglund	Tjornhom	Wagenius	Wynia
Sarna	Solberg	Tompkins	Waltman	Spk. Vanasek
Schafer	Sparby	Trimble	Weaver	
Schreiber	Stanius	Tunheim	Welle	

The bill was repassed, as amended by Conference, and its title agreed to.

There being no objection, the order of business reverted to Messages from the Senate.

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 66, A bill for an act relating to gambling; creating a department of gaming; authorizing a state lottery to be conducted by a department of state lottery; creating a division of inspection and enforcement in the department of public safety and providing for its duties; prescribing penalties; appropriating money; amending Minnesota Statutes 1988, sections 10A.01, subdivision 18; 10A.09, subdivision 1; 15.06, subdivision 1; 15A.081, subdivision 1; 43A.08, subdivision 1a; 240.01, by adding subdivisions; 240.02, subdivisions 1 and 2; 240.04, subdivisions 1, 3, and 7; 240.06, subdivisions 3 and 8; 240.07, subdivision 2; 240.08, subdivision 3; 240.21; 240.28; 340A.410, subdivision 5; 349.12, subdivisions 11, 17, 20, and by adding subdivisions; 349.151, subdivisions 1, 2, 4, and 5; 349.16, subdivisions 3 and 4; 349.161, subdivision 4; 349.162, subdivisions 1, 2, 4, and 5; 349.163; 349.18, subdivision 1; 349.19, subdivisions 5 and 6; 349.212; 349.2121, subdivisions 2, 3, 4, 4a, 6, 7, 8, and 10; 349.2122; 349.2125, subdivisions 1, 2, and 3; 349.2127, subdivision 2; 349.213, subdivision 1; 349.214, subdivision 2; 349.22, subdivisions 1 and 3; 541.20; 541.21; 609.75, subdivision 3; 609.76, subdivision 1; 609.761; 626.05, subdivision 2; 626.13; and 626.84, subdivision 1; proposing coding for new law as Minnesota Statutes, chapters 299K; 349A; and 349B; proposing coding for new law in Minnesota Statutes, chapters 240; 245; and 349; repealing Minnesota Statutes 1988, sections 240.02, subdivision 7; 349.151, subdivisions 3 and 5; 349.161, subdivision 7; 349.164, subdivision 5;

349.171; and 349.22, subdivision 4.

PATRICK E. FLAHAVEN, Secretary of the Senate

Quinn moved that the House refuse to concur in the Senate amendments to H. F. No. 66, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

The Speaker called Quinn to the Chair.

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Anderson, G., requested immediate consideration of H. F. Nos. 878, 391 and 189; S. F. No. 736; H. F. Nos. 121, 235 and 927; S. F. Nos. 997, 1011 and 126; H. F. Nos. 1203, 1418, 42 and 1146; and S. F. No. 139.

H. F. No. 878 was reported to the House.

Rice and Wenzel moved to amend H. F. No. 878, the second engrossment, as follows:

Page 49, line 22, after "pathology" insert "and department of family practice and community health"

The motion prevailed and the amendment was adopted.

Segal moved to amend H. F. No. 878, the second engrossment, as amended, as follows:

Page 6, after line 7, insert:

"Sec. 7. [STUDY; COMPUTERIZED DRIP IRRIGATION SYSTEMS.]

The commissioner of agriculture shall, in cooperation with the University of Minnesota agricultural experiment station, conduct a study on the feasibility of using computerized drip irrigation systems on row crops, truck garden crops, and orchard crops grown in Minnesota.

Page 6, line 8, delete "7" and insert "8"

Page 49, after line 26, insert:

**"Sec. 34. [DRIP IRRIGATION STUDY.]**

\$5,000 is appropriated from the general fund to the commissioner of agriculture to conduct the study of drip irrigation systems under article 1, section 7."

Page 49, line 27, delete "34" and insert "35"

The motion did not prevail and the amendment was not adopted.

Ogren and Wenzel moved to amend H. F. No. 878, the second engrossment, as amended, as follows:

Page 49, after line 29, insert:

**"ARTICLE 19**

**WILD RICE LABELING**

Section 1. Minnesota Statutes 1988, section 30.49, is amended to read:

**30.49 [PADDY GROWN WILD RICE LABELING.]**

Subdivision 1. [CULTIVATED WILD RICE.] ~~All~~ (a) Except as provided in paragraph (b), wild rice which containing a portion of wild rice that is planted or cultivated and which is offered for wholesale or retail sale in this state shall must be plainly and conspicuously labeled as either "paddy grown" or as "cultivated" in letters of a size and form prescribed by the commissioner.

(b) Cultivated wild rice sold for international commerce is exempt from this subdivision.

Subd. 2. [NATURAL LAKE OR RIVER WILD RICE.] (a) A package containing only 100 percent natural lake or river wild rice that is offered for sale at wholesale or retail sale in this state may be plainly and conspicuously labeled as "100 percent naturally grown, lake and river harvested" in letters of a size and form prescribed by the commissioner. A package of wild rice labeled "100 percent naturally grown, lake and river harvested" must also contain the license number issued under section 84.152 of the last licensed dealer, if any, who handled the wild rice.

(b) A package that does not contain 100 percent natural lake or river wild rice may not contain a label authorized under paragraph (a).

Subd. 3. [RECORDS.] (a) A person who buys, sells, processes, or markets over 500 pounds of wild rice not for use in packaged blended rice and ready-to-eat rice must maintain the following records and shall submit annual reports on or before December 31 of each year to the commissioners of agriculture and natural resources. A person who buys, sells, processes, or markets wild rice not for use in packaged blended rice and ready-to-eat rice shall provide the department, on demand, relevant information from the records required under this section.

(b) The report must contain:

(1) the date of each transaction;

(2) the quantity of wild rice bought or sold;

(3) an identification of whether the wild rice is cultivated or paddy grown, or whether it is naturally grown lake and river-harvested wild rice;

(4) the names and addresses of the parties of the transaction and the department of natural resources license or permit numbers;

(5) the lot numbers of all the wild rice bought or sold in each transaction; and

(6) documents that track the rice, by lot number, through processing and the assignment of a final lot number on the finished product offered for distribution or sale in Minnesota.

Subd. 4. [FAIR PACKAGING AND LABELING.] Natural lake and river-harvested wild rice from public waters and cultivated or paddy grown wild rice are separate and distinct ingredients under the fair packaging and labeling provisions of section 31.103.

Subd. 5. [MISBRANDING RELATING TO INDIAN HARVESTED OR PROCESSED.] A wild rice label that implies the wild rice is harvested or processed by Indians is misbranded unless the package contains only 100 percent natural lake or river wild rice.

Subd. 6. [PACKAGED BLENDED RICE AND READY-TO-EAT RICE.] A package containing a blend of wild rice and at least 40 percent other grains or food products, and puffed or ready-to-eat wild rice, are exempt from this section, except subdivisions 3, 5, and 7.

Subd. 7. [PENALTY.] Any person who sells wild rice at wholesale or retail which is not labeled as required by violates this section is guilty of a misdemeanor.

## Sec. 2. [REPEALER.]

Minnesota Statutes 1988, section 84.152, subdivision 5, is repealed.

## Sec. 3. [EFFECTIVE DATE.]

Section 1, subdivisions 3, 6, and 7, and section 2 are effective July 1, 1989.

Section 1, subdivisions 1, 2, 4, and 5, are effective January 1, 1990, except that subdivision 5 as it applies to subdivision 6 is effective July 1, 1989."

Amend the title accordingly

Neuenschwander moved to amend the Ogren and Wenzel amendment to H. F. No. 878, the second engrossment, as amended, as follows:

In the Ogren and Wenzel amendment, page 2, line 6, after "buys" delete the comma and insert "or"

Page 2, line 6, after "sells," insert "other than at retail,"

Page 2, line 11, after "buys" delete the comma and insert "or"

Page 2, line 11, after "sells," insert "other than at retail,"

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Ogren and Wenzel amendment, as amended, to H. F. No. 878, the second engrossment, as amended. The motion prevailed and the amendment, as amended, was adopted.

Steensma and Wenzel offered an amendment to H. F. No. 878, the second engrossment, as amended.

## POINT OF ORDER

Stanis raised a point of order pursuant to rule 3.10 that the Steensma and Wenzel amendment was not in order. Speaker pro tempore Quinn ruled the point of order well taken and the amendment out of order.

Tjornhom moved to amend H. F. No. 878, the second engrossment, as amended, as follows:

Page 11, line 31, after the comma insert "the relative total project costs for using conventional ink versus soy-based ink,"

The motion prevailed and the amendment was adopted.

Anderson, R., was excused while in conference.

Uphus; Marsh; Poppenhagen; Nelson, C., and Jennings offered an amendment to H. F. No. 878, the second engrossment, as amended.

#### POINT OF ORDER

Wenzel raised a point of order pursuant to rule 3.10 that the Uphus et al amendment was not in order. Speaker pro tempore Quinn ruled the point of order well taken and the amendment out of order.

Valento and Sviggum moved to amend H. F. No. 878, the second engrossment, as amended, as follows:

Pages 48 and 49, delete sections 28, 29, and 30

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Valento and Sviggum amendment and the roll was called. There were 52 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Abrams	Gruenes	Limmer	Onnen	Sviggum
Bennett	Gutknecht	Lynch	Ozment	Swenson
Bishop	Hartle	Macklin	Pauly	Tjornhom
Blatz	Haukoos	Marsh	Pellow	Tompkins
Boo	Heap	McDonald	Poppenhagen	Uphus
Burger	Henry	McGuire	Richter	Valento
Carlson, D.	Himle	McPherson	Runbeck	Waltman
Dempsey	Hugoson	Morrison	Schafer	Weaver
Forsythe	Johnson, V.	Ogren	Schreiber	
Frederick	Knickerbocker	Olsen, S.	Seaberg	
Frerichs	Kostohryz	Omann	Stanisus	

Those who voted in the negative were:

Anderson, G.	Battaglia	Bauerly	Beard	Begich
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Bertram	Jacobs	Long	Otis	Solberg
Brown	Janezich	McEachern	Peterson	Sparby
Carlson, L.	Jefferson	Milbert	Price	Steensma
Carruthers	Jennings	Munger	Pugh	Trimble
Clark	Johnson, A.	Murphy	Quinn	Tunheim
Conway	Johnson, R.	Nelson, C.	Reding	Vellenga
Cooper	Kahn	Nelson, K.	Rest	Wagenius
Dauner	Kalis	Neuenschwander	Rice	Welle
Dawkins	Kelly	O'Connor	Rodosovich	Wenzel
Dille	Kelso	Olson, E.	Sarna	Williams
Dorn	Kinkel	Olson, K.	Scheid	Winter
Girard	Krueger	Orenstein	Segal	Spk. Vanasek
Greenfield	Lasley	Osthoff	Simoneau	
Hasskamp	Lieder	Ostrom	Skoglund	

The motion did not prevail and the amendment was not adopted.

Stanisus; Pellow; Seaberg; Olsen, S.; Swenson; Valento; Abrams; Blatz; Boo; Limmer; Ozment; Forsythe; Weaver; Pauly; Morrison; Lynch; Macklin; Tompkins; Frerichs and Runbeck offered an amendment to H. F. No. 878, the second engrossment, as amended.

#### POINT OF ORDER

Sparby raised a point of order pursuant to rule 3.9 that the Stanisus et al amendment was not in order. Speaker pro tempore Quinn ruled the point of order well taken and the amendment out of order.

Speaker pro tempore Quinn called Simoneau to the Chair.

Trimble moved to amend H. F. No. 878, the second engrossment, as amended, as follows:

Page 10, after line 10, insert:

"Sec. 5. [31.105] [ARTIFICIAL CHEESE DISCLOSURE.]

Subdivision 1. [CHEESE ADDITIVES AND CHEESE SUBSTITUTES.] A restaurant or retailer of prepared foods must comply with the disclosure requirements of subdivision 2 if:

(1) the restaurant or retailer uses cheese substitutes such as casein in food products that traditionally contain cheese; or

(2) the restaurant or retailer use nondairy additives or extenders in food products that traditionally contain cheese.

Subd. 2. [DISCLOSURE.] A restaurant or retailer required to disclose under subdivision 1 must:

(1) post in a clearly visible manner on or near each customer



entrance to the premises a notice substantially as follows: "NOTICE: ONE OR MORE OF THE PRODUCTS SERVED OR SOLD BY THIS ESTABLISHMENT CONTAIN CHEESE SUBSTITUTES OR NONDAIRY CHEESE ADDITIVES", or

(2) print on or affix to the menu, menu board or packaging a notice stating that one or more of the products listed in the menu or on the menu board contain cheese substitutes or nondairy cheese additives.

Subd. 3. [EXCEPTIONS.] (a) A restaurant or retailer of prepared foods that serves only cheese free from cheese substitutes or nondairy additives or extenders is exempt from the disclosure requirements of subdivision 2.

(b) A restaurant or retailer of prepared foods that uses only minor quantities of cheese substitutes or nondairy additives or extenders primarily for cosmetic purposes, but does not use cheese substitutes, additives, or extenders as a substantial ingredient in meals or prepared foods is exempt from the disclosure requirements of subdivision 2.

#### Sec. 6. [31.107] [RULES.]

The commissioner may adopt rules necessary to administer section 5. The rules may include provisions governing the size, location, and wording of disclosure notices."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

#### POINT OF ORDER

Stanis raised a point of order pursuant to rule 3.10 that the Trimble amendment was not in order. Speaker pro tempore Simoneau ruled the point of order not well taken and the amendment in order.

The question recurred on the Trimble amendment and the roll was called. There were 58 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Battaglia  
Bauerly

Beard  
Begich

Bertram  
Blatz

Brown  
Carlson, L.

Carruthers  
Clark

Conway	Kalis	Nelson, K.	Peterson	Trimble
Cooper	Kelly	O'Connor	Quinn	Tunheim
Dawkins	Kelso	Ogren	Rest	Vellenga
Greenfield	Kinkel	Olson, K.	Rukavina	Wagenius
Janezich	Krueger	Omann	Sarna	Welle
Jaros	Long	Orenstein	Scheid	Wenzel
Jefferson	McEachern	Osthoff	Segal	Winter
Johnson, A.	McGuire	Ostrom	Skoglund	Spk. Vanasek
Johnson, R.	Munger	Otis	Solberg	
Kahn	Nelson, C.	Pappas	Steensma	

Those who voted in the negative were:

Abrams	Girard	Kostohryz	Ozment	Schreiber
Bennett	Gruenes	Lasley	Pauly	Seaberg
Bishop	Gutknecht	Limmer	Pellow	Simoneau
Boo	Hartle	Macklin	Pelowski	Sparby
Burger	Hasskamp	Marsh	Poppenhagen	Stanis
Carlson, D.	Haukoos	McDonald	Price	Swiggum
Dauner	Heap	McPherson	Pugh	Swenson
Dempsey	Henry	Milbert	Redalen	Tjornhom
Dille	Himle	Miller	Reding	Tompkins
Dorn	Hugoson	Morrison	Rice	Uphus
Forsythe	Jacobs	Murphy	Richter	Valento
Frederick	Johnson, V.	Olsen, S.	Runbeck	Waltman
Frerichs	Knickerbocker	Onnen	Schafer	Weaver
				Williams

The motion did not prevail and the amendment was not adopted.

Speaker pro tempore Simoneau called Quinn to the Chair.

Schreiber moved to amend H. F. No. 878, the second engrossment, as amended, as follows:

Page 48, line 23, after "PURCHASE" insert "OR REMODELING"

Page 48, line 25, delete "and" and insert "and/or" and delete the second "the" and insert "an"

Page 48, line 26, delete everything after "building"

Page 48, line 27, delete everything before the period

The motion prevailed and the amendment was adopted.

Marsh, Uphus, Kinkel and Poppenhagen offered an amendment to H. F. No. 878, the second engrossment, as amended.

#### POINT OF ORDER

Wenzel raised a point of order pursuant to rule 3.9 that the Marsh

et al amendment was not in order. Speaker pro tempore Quinn ruled the point of order well taken and the amendment out of order.

H. F. No. 878, A bill for an act relating to agriculture; providing partial premium payment for federal crop insurance; requiring lawn waste containers to be degradable; establishing uniformity with certain federal regulations; requiring the use of soy-oil based inks for printing under certain conditions; providing Minnesota-grown coupons to WIC coupon recipients at test sites; suspending certain noxious weed control practices during drought conditions; providing for development of a community needs assessment model; authorizing an investigation of cheese marketing institutions and practices; establishing a grasshopper control program; creating an agricultural liming materials law; establishing an advisory task force on farm safety; extending the farmer-lender mediation act and clarifying various provisions; extending the date for a report of the team study on low livestock productivity; changing certain requirements for motor vehicle fuel labeling; establishing an agricultural landlord rental incentive program; limiting liability of certain agricultural society board numbers; setting a dairy industry check-off rate; providing for arbitration of seed claims; providing for purchase of the agriculture department building; authorizing bond sales; regulating wild rice labeling; appropriating money; amending Minnesota Statutes 1988, sections 17.7242, subdivisions 1 and 2; 17.59, by adding a subdivision; 30.49; 31.101; 31.102, subdivision 1; 31.103, subdivision 1; 31.104; 31.11; 38.013; 47.20, subdivision 15; 116O.09, subdivision 5; 239.79, subdivision 2, and by adding a subdivision; 308.12, subdivision 5; 325E.045, subdivision 1, and by adding subdivisions; 500.24, subdivision 6; 550.37, subdivisions 4a, 5, and 7; 580.031; 583.24, subdivision 4; 583.26, subdivision 1; Laws 1983, chapter 215, section 16, as amended; Laws 1986, chapter 398, article 1, section 18, as amended; Laws 1987, chapter 396, article 9, section 1, subdivision 4, as amended; proposing coding for new law in Minnesota Statutes, chapters 16B; 17; 17B; 18; 21; 41B; and 169; repealing Minnesota Statutes 1988, sections 17.7241; 17.4244; 17.7246; and 84.152, subdivision 5.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 7 nays as follows:

Those who voted in the affirmative were:

Abrams	Bishop	Cooper	Girard	Himle
Anderson, G.	Blatz	Dauner	Greenfield	Hugoson
Battaglia	Boo	Dawkins	Gruenes	Jacobs
Bauerly	Brown	Dempsey	Gutknecht	Janezich
Beard	Carlson, D.	Dille	Hartle	Jaros
Begich	Carruthers	Dorn	Hasskamp	Jefferson
Bennett	Clark	Frederick	Heap	Jennings
Bertram	Conway	Frerichs	Henry	Johnson, A.

Johnson, R.	McDonald	Olson, K.	Reding	Svigum
Johnson, V.	McEachern	Omann	Rest	Swenson
Kahn	McGuire	Onnen	Rice	Tjornhom
Kalis	McLaughlin	Orenstein	Richter	Tompkins
Kelly	McPherson	Osthoﬀ	Rodosovich	Trimble
Kelso	Milbert	Ostrom	Rukavina	Tunheim
Kinkel	Miller	Otis	Runbeck	Uphus
Knickerbocker	Morrison	Ozment	Sarna	Vellenga
Kostohryz	Munger	Pappas	Schafer	Wagenius
Krueger	Murphy	Pellow	Scheid	Waltman
Lasley	Nelson, C.	Pelowski	Segal	Weaver
Lieder	Nelson, K.	Peterson	Simoneau	Welle
Limmer	Neuenschwander	Poppenhagen	Skoglund	Wenzel
Long	O'Connor	Price	Solberg	Williams
Lynch	Ogren	Pugh	Sparby	Winter
Macklin	Olsen, S.	Quinn	Stanisus	Wynia
Marsh	Olson, E.	Redalen	Steensma	Spk. Vanasek

Those who voted in the negative were:

Burger	Haukoos	Schreiber	Valento
Forsythe	Pauly	Seaberg	

The bill was passed, as amended, and its title agreed to.

H. F. No. 391, A bill for an act relating to peace officers; providing eligibility for death benefits for certain fire and rescue unit members and other first responders; amending Minnesota Statutes 1988, section 176B.01, subdivision 2.

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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dempsey	Jennings	McGuire	Otis
Anderson, G.	Dille	Johnson, A.	McLaughlin	Ozment
Battaglia	Dorn	Johnson, R.	McPherson	Pappas
Bauerly	Forsythe	Johnson, V.	Milbert	Pauly
Beard	Frederick	Kahn	Miller	Pellow
Begich	Frerichs	Kalis	Morrison	Pelowski
Bennett	Girard	Kelly	Munger	Peterson
Bertram	Greenfield	Kelso	Murphy	Poppenhagen
Bishop	Gruenes	Kinkel	Nelson, C.	Price
Blatz	Gutknecht	Knickerbocker	Nelson, K.	Pugh
Boo	Hartle	Kostohryz	Neuenschwander	Quinn
Brown	Hasskamp	Krueger	O'Connor	Redalen
Burger	Haukoos	Lasley	Ogren	Reding
Carlson, D.	Heap	Lieder	Olsen, S.	Rest
Carlson, L.	Henry	Limmer	Olson, E.	Rice
Carruthers	Himle	Long	Olson, K.	Richter
Clark	Hugoson	Lynch	Omann	Rodosovich
Conway	Jacobs	Macklin	Onnen	Rukavina
Cooper	Janezich	Marsh	Orenstein	Runbeck
Dauner	Jaros	McDonald	Osthoﬀ	Sarna
Dawkins	Jefferson	McEachern	Ostrom	Schafer

Scheid	Solberg	Tjornhom	Vellenga	Williams
Schreiber	Sparby	Tompkins	Wagenius	Winter
Seaberg	Stanius	Trimble	Waltman	Wynia
Segal	Steensma	Tunheim	Weaver	Spk. Vanasek
Simoneau	Sviggun	Uphus	Welle	
Skoglund	Swenson	Valento	Wenzel	

The bill was passed and its title agreed to.

H. F. No. 189, A bill for an act relating to appropriations; appropriating money for a grant to Kandiyohi county for the George "Pinky" Nelson space center.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 736, A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 121, A bill for an act relating to veterans; requiring the commissioner of veterans affairs to provide certain grave markers; appropriating money; amending Minnesota Statutes 1988, section 197.23.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Brown	Dille	Haukoos	Johnson, R.
Anderson, G.	Burger	Dorn	Heap	Johnson, V.
Battaglia	Carlson, D.	Forsythe	Henry	Kahn
Bauerly	Carlson, L.	Frederick	Himle	Kalis
Beard	Carruthers	Frerichs	Hugoson	Kelly
Begich	Clark	Girard	Jacobs	Kelso
Bennett	Conway	Greenfield	Janezich	Kinkel
Bertram	Cooper	Gruenes	Jaros	Knickerbocker
Bishop	Dauner	Gutknecht	Jefferson	Kostohryz
Blatz	Dawkins	Hartle	Jennings	Krueger
Boo	Dempsey	Hasskamp	Johnson, A.	Lasley

Lieder	Nelson, K.	Pellow	Schafer	Tunheim
Limmer	Neuenschwander	Pelowski	Scheid	Uphus
Long	O'Connor	Peterson	Schreiber	Valento
Lynch	Ogren	Poppenhagen	Seaberg	Vellenga
Macklin	Olsen, S.	Price	Segal	Wagenius
Marsh	Olson, E.	Pugh	Simoneau	Waltman
McDonald	Olson, K.	Quinn	Skoglund	Weaver
McEachern	Omann	Redalen	Solberg	Welle
McGuire	Onnen	Reding	Sparby	Wenzel
McLaughlin	Orenstein	Rest	Stanis	Williams
McPherson	Osthoff	Rice	Steensma	Winter
Milbert	Ostrom	Richter	Sviggum	Wynia
Miller	Otis	Rodosovich	Swenson	Spk. Vanasek
Morrison	Ozment	Rukavina	Tjornhom	
Munger	Pappas	Runbeck	Tompkins	
Nelson, C.	Pauly	Sarna	Trimble	

The bill was passed and its title agreed to.

H. F. No. 235, A bill for an act relating to human services; authorizing counties to establish multidisciplinary chemical abuse prevention teams; authorizing the state planning agency to fund these teams in several counties on a demonstration basis; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 254A.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 927, A bill for an act relating to traffic regulations; defining terms; subjecting driver of commercial motor vehicle to stricter federal standard on alcohol-related driving; providing for and regulating category of commercial driver's license and commercial motor vehicle drivers; authorizing Minnesota to join driver license compact; allowing exchange of driver license information with other states; promoting consolidated, complete driver record; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 168.011, subdivision 9; 169.01, subdivision 50, and by adding a subdivision; 169.123, subdivisions 1, 2, 4, 5, 5a, 5b, 5c, and 6; 171.01, subdivision 19, and by adding subdivisions; 171.02, subdivision 2; 171.03; 171.04; 171.06, subdivisions 2 and 3; 171.07, by adding a subdivision; 171.10, subdivision 2; 171.12, subdivision 2; 171.13, subdivision 5; 171.14; 171.16, subdivision 1; 171.18; 171.20; 171.22, subdivision 1; 171.24; and 171.30, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 169 and 171.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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



The bill was passed and its title agreed to.

S. F. No. 997, A bill for an act relating to the environment; authorizing the pollution control agency to assist persons in reviewing real property for petroleum tank releases and to be paid for such assistance; authorizing expenditures from the petroleum tank release compensation fund; changing the terms for reimbursement of petroleum tank release costs by the petroleum tank release compensation board; requiring notification by owners of aboveground tanks; amending Minnesota Statutes 1988, sections 115C.03, by adding a subdivision; 115C.08, subdivision 4; 115C.09; and 116.48.

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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

Knickerbocker was excused for the remainder of today's session.

Speaker pro tempore Quinn called Anderson, G., to the Chair.

S. F. No. 1011, A bill for an act relating to highways; redesignating

the AMVETS memorial highway as the American Veterans Memorial Highway; amending Minnesota Statutes 1988, section 161.14, subdivision 23.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 126, A bill for an act relating to traffic regulations; providing for suspension of driver's license of certain persons failing to appear in court; setting a fee; amending Minnesota Statutes 1988, sections 169.92; 171.01, subdivision 13; and 171.20, subdivision 4.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1203, A bill for an act relating to nonprofit corporations; providing for the organization, operation, and dissolution of nonprofit corporations; imposing penalties; amending Minnesota Statutes 1988, sections 8.31, subdivision 1; 79A.09, subdivision 1; 257.03; 309.67; 319A.20; 354A.021, subdivision 2; and 469.144, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 317A; repealing Minnesota Statutes 1988, sections 317.01 to 317.69.

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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Carlson, D.	Girard	Jefferson	Lieder
Anderson, G.	Carlson, L.	Greenfield	Jennings	Limmer
Battaglia	Carruthers	Gruenes	Johnson, A.	Long
Bauerly	Clark	Gutknecht	Johnson, R.	Lynch
Beard	Conway	Hartle	Johnson, V.	Macklin
Begich	Cooper	Hasskamp	Kahn	Marsh
Bennett	Dawkins	Haukoos	Kalis	McDonald
Bertram	Dempsey	Heap	Kelly	McEachern
Bishop	Dille	Henry	Kelso	McGuire
Blatz	Dorn	Himle	Kinkel	McLaughlin
Boo	Forsythe	Hugoson	Kostohryz	McPherson
Brown	Frederick	Jacobs	Krueger	Milbert
Burger	Frerichs	Janezich	Lasley	Miller

Morrison	Orenstein	Quinn	Segal	Uphus
Munger	Osthoff	Redalen	Simoneau	Valento
Murphy	Ostrom	Reding	Skoglund	Vellenga
Nelson, C.	Otis	Rest	Solberg	Wagenius
Nelson, K.	Ozment	Rice	Sparby	Waltman
Neuenschwander	Pappas	Richter	Stanisus	Weaver
O'Connor	Pauly	Rodosovich	Steensma	Welle
Ogren	Pellow	Runbeck	Sviggum	Wenzel
Olsen, S.	Pelowski	Sarna	Swenson	Williams
Olson, E.	Peterson	Schafer	Tjornhom	Wynia
Olson, K.	Poppenhagen	Scheid	Tompkins	Spk. Vanasek
Omann	Price	Schreiber	Trimble	
Onnen	Pugh	Seaberg	Tunheim	

The bill was passed and its title agreed to.

H. F. No. 1418 was reported to the House.

Onnen moved to amend H. F. No. 1418, the first engrossment, as follows:

Page 1, line 6, delete "ST. PAUL"

Page 1, line 10, delete "St. Paul"

Amend the title as follows:

Page 1, line 3, delete "St. Paul"

The motion prevailed and the amendment was adopted.

H. F. No. 1418, A bill for an act relating to appropriations; appropriating money to evaluate the national indoor sports training center.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Abrams	Brown	Dempsey	Heap	Johnson, R.
Anderson, G.	Burger	Dille	Henry	Johnson, V.
Battaglia	Carlson, D.	Dorn	Himle	Kahn
Bauerly	Carlson, L.	Forsythe	Hugoson	Kelly
Beard	Carruthers	Frederick	Jacobs	Kelso
Bennett	Clark	Girard	Janezich	Kinkel
Bertram	Conway	Greenfield	Jaros	Kostohryz
Bishop	Cooper	Gutknecht	Jefferson	Krueger
Blatz	Dauner	Hartle	Jennings	Lasley
Boo	Dawkins	Hasskamp	Johnson, A.	Lieder

Limmer	Nelson, K.	Pauly	Runbeck	Tompkins
Long	Neuenschwander	Pellow	Sarna	Trimble
Lynch	O'Connor	Pelowski	Schafer	Tunheim
Macklin	Ogren	Peterson	Scheid	Valento
Marsh	Olsen, S.	Poppenhagen	Schreiber	Vellenga
McDonald	Olson, E.	Price	Seaberg	Wagenius
McEachern	Omann	Pugh	Segal	Waltman
McGuire	Onnen	Quinn	Simoneau	Weaver
McLaughlin	Orenstein	Redalen	Skoglund	Welle
McPherson	Osthoff	Reding	Solberg	Wenzel
Milbert	Ostrom	Rest	Sparby	Williams
Morrison	Otis	Rice	Stamius	Winter
Murphy	Ozment	Rodosovich	Steensma	Wynia
Nelson, C.	Pappas	Rukavina	Swenson	Spk. Vanasek

Those who voted in the negative were:

Frerichs	Haukoos	Olson, K.	Tjornhom
Gruenes	Miller	Svigum	Uphus

The bill was passed, as amended, and its title agreed to.

The Speaker resumed the Chair.

H. F. No. 42, A bill for an act relating to economic development; permitting state agencies and local jurisdictions to invest in a working capital fund; proposing coding for new law in Minnesota Statutes, chapters 16B, 161, 471, and 473.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dempsey	Jennings	McLaughlin	Ozment
Anderson, G.	Dille	Johnson, A.	McPherson	Pappas
Battaglia	Dorn	Johnson, R.	Milbert	Pauly
Bauerly	Forsythe	Johnson, V.	Miller	Pellow
Beard	Frederick	Kahn	Morrison	Pelowski
Begich	Frerichs	Kalis	Munger	Peterson
Bennett	Girard	Kelly	Murphy	Poppenhagen
Bertram	Greenfield	Kelso	Nelson, C.	Price
Bishop	Gruenes	Kinkel	Nelson, K.	Pugh
Blatz	Gutknecht	Kostohryz	Neuenschwander	Quinn
Boo	Hartle	Krueger	O'Connor	Redalen
Brown	Hasskamp	Lasley	Ogren	Reding
Burger	Haukoos	Lieder	Olsen, S.	Rest
Carlson, D.	Heap	Limmer	Olson, E.	Rice
Carlson, L.	Henry	Long	Olson, K.	Richter
Carruthers	Himle	Lynch	Omann	Rodosovich
Clark	Hugoson	Macklin	Onnen	Rukavina
Conway	Jacobs	Marsh	Orenstein	Runbeck
Cooper	Janezich	McDonald	Osthoff	Sarna
Dauner	Jaros	McEachern	Ostrom	Schafer
Dawkins	Jefferson	McGuire	Otis	Scheid

Schreiber	Sparby	Tompkins	Wagenius	Winter
Seaberg	Stanius	Trimble	Waltman	Wynia
Segal	Steensma	Tunheim	Weaver	Spk. Vanasek
Simoneau	Sviggum	Uphus	Welle	
Skoglund	Swenson	Valento	Wenzel	
Solberg	Tjornhom	Vellenga	Williams	

The bill was passed and its title agreed to.

H. F. No. 1146, A bill for an act relating to traffic regulations; dedicating seat belt violation fines to emergency medical services relief account; amending Minnesota Statutes 1988, section 169.686, subdivision 3.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 139 was reported to the House.

Bishop and Johnson, A., moved to amend S. F. No. 139, the unofficial engrossment, as follows:

Page 9, after line 5, insert:

"Sec. 12. Minnesota Statutes 1988, section 171.06, subdivision 3, is amended to read:

Subd. 3. [CONTENTS OF APPLICATION.] Every application shall state the full name, date of birth, sex and residence address of the applicant, a description of the applicant in such manner as the commissioner may require, and shall state whether or not the applicant has theretofore been licensed as a driver; and, if so, when and by what state or country and whether any such license has ever been suspended or revoked, or whether an application has ever been refused; and, if so, the date of and reason for such suspension, revocation, or refusal, together with such facts pertaining to the applicant and the applicant's ability to operate a motor vehicle with safety as may be required by the commissioner. The application form shall contain a notification to the applicant of the availability of the donor document provided pursuant to section 171.07, subdivision 5, and shall contain spaces where the applicant must indicate a desire to receive or not to receive the donor document. The application form shall contain a notification to the applicant of the availability of a living will identifier on the license under section 171.07, subdivision 7. The application shall be in the form prepared by the commissioner.

The application form must be accompanied by a pamphlet containing relevant facts relating to:

- (1) the effect of alcohol on driving ability;
- (2) the effect of mixing alcohol with drugs;
- (3) the laws of Minnesota relating to operation of a motor vehicle while under the influence of alcohol or a controlled substance; and
- (4) the levels of alcohol-related fatalities and accidents in Minnesota and of arrests for alcohol-related violations.

Sec. 13. Minnesota Statutes 1988, section 171.07, is amended by adding a subdivision to read:

Subd. 7. [LIVING WILL DESIGNATION.] At the written request of the applicant and on payment of the required license or card fees, the department shall issue a driver's license or Minnesota identification card bearing the identifier "LW" to indicate that the applicant has a living will or declaration as defined in Laws 1989, chapter 3, section 2.

At the request of the applicant, the department shall issue a

replacement or renewal license or identification card deleting the identifier "LW" on payment of the required license or card fees.

Sec. 14. Laws 1989, chapter 3, section 2, subdivision 2, is amended to read:

Subd. 2. [DECLARATION; LIVING WILL.] "Declaration" or "living will" means a writing made according to section 3."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

S. F. No. 139, A bill for an act relating to liquor; increasing age for provisional driver's license to 21 years; changing provisional licenses to "under-21" licenses; prohibiting the issuance of both a Minnesota identification card and a driver's license, other than an instruction permit, to the same person; providing for fees; providing for license suspension for minors misrepresenting their age for purposes of purchasing alcoholic beverages; providing penalty for misuse of Minnesota identification card; increasing the period for suspension of a drivers license for use of a license to illegally purchase alcohol; including other forms of identification and persons who lend identification; increasing the penalty for counterfeiting a drivers license or Minnesota identification card; prohibiting lending any form of identification for use by an underage person to purchase alcohol; clarifying the application of the carding defense for illegal sales; providing for transfer of confiscated identification; amending Minnesota Statutes 1988, sections 171.02, subdivisions 1 and 3; 171.06, subdivision 2; 171.07, subdivisions 1 and 3; 171.171; 171.22; 171.27; 260.195, subdivision 3; 340A.503, subdivisions 2 and 6; and 340A.801, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 340A.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams  
Anderson, G.  
Battaglia  
Bauerly

Beard  
Begich  
Bennett  
Bertram

Bishop  
Blatz  
Boo  
Brown

Burger  
Carlson, D.  
Carlson, L.  
Carruthers

Clark  
Conway  
Cooper  
Dauner



Dawkins	Johnson, A.	Miller	Peterson	Stanius
Dempsey	Johnson, R.	Morrison	Poppenhagen	Steensma
Dille	Johnson, V.	Munger	Price	Svigum
Dorn	Kahn	Murphy	Pugh	Swenson
Forsythe	Kalis	Nelson, C.	Quinn	Tjornhom
Frederick	Kelly	Nelson, K.	Redalen	Tompkins
Frerichs	Kelso	Neuenschwander	Reding	Trimble
Girard	Kinkel	O'Connor	Rest	Tunheim
Greenfield	Kostohryz	Ogren	Rice	Uphus
Gruenes	Krueger	Olsen, S.	Richter	Valento
Gutknecht	Lasley	Olson, E.	Rodosovich	Vellenga
Hartle	Lieder	Olson, K.	Rukavina	Wagenius
Hasskamp	Limmer	Omann	Runbeck	Waltman
Haukoos	Long	Onnen	Sarna	Weaver
Heap	Lynch	Orenstein	Schafer	Welle
Henry	Macklin	Osthoff	Scheid	Wenzel
Himle	Marsh	Ostrom	Schreiber	Williams
Hugoson	McDonald	Otis	Seaberg	Winter
Jacobs	McEachern	Ozment	Segal	Wynia
Janezich	McGuire	Pappas	Simoneau	Spk. Vanasek
Jaros	McLaughlin	Pauly	Skoglund	
Jefferson	McPherson	Pellow	Solberg	
Jennings	Milbert	Pelowski	Sparby	

The bill was passed and its title agreed to.

There being no objection, the order of business reverted to Reports of Standing Committees.

## REPORTS OF STANDING COMMITTEES

Anderson, G., from the Committee on Appropriations 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, 2, 4, and by adding subdivisions; 17.7155; 17.716, subdivisions 1, 2, and 4; 17.717; 17.718; 17.719, subdivisions 1, 2, 3, 4, and by adding subdivisions; 17.72; 17.721, by adding a subdivision; 17.722; 17.723; 17.725, subdivision 2, and by adding subdivisions; 17.728, subdivision 1, and by adding subdivisions; 17.7285; 17.73, subdivisions 3 and 5;

18B.01, subdivisions 5, 12, 15, 19, 21, 23, 26, 30, and by adding subdivisions; 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; 43A.08, subdivision 1; 105.41, subdivision 1a; 105.418; 110B.35, subdivision 3; 115.093, subdivision 5; 116C.40, by adding subdivisions; 116C.41, subdivision 1; 116E.02, subdivision 1; 116E.03, subdivision 9; 156A.01; 156A.02; 156A.03; 156A.05; 156A.06; 156A.071; 156A.075; 156A.08; 326.37; and 604.02, subdivision 1; 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; 17.715, subdivision 3; 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 following amendments:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

#### PROTECTION OF GROUNDWATER

##### Section 1. [115D.01] [GOAL; PREVENTION OF GROUNDWATER DEGRADATION.]

It is the goal of the state that groundwater be maintained in its natural condition, free from any degradation caused by human activities. It is recognized that for some human activities this nondegradation goal cannot be practicably achieved. However, where prevention is practicable, it is intended that it be achieved. Where it is not currently practicable, the development of methods and technology that will make prevention practicable is encouraged. The prevention and cleanup of groundwater pollution is crucial to the public health and welfare and the environment of the state because:

(1) Minnesota's high quality groundwater is a precious natural resource upon which Minnesotans depend for many uses, including drinking water and agricultural and industrial uses;

(2) this resource is currently being threatened by pollution from a

variety of land and water uses, including domestic, agricultural, and industrial uses;

(3) groundwater of the state is contained in a series of related and often interconnected aquifers, and pollutants entering the groundwater may spread both horizontally and vertically and may enter and impair surface waters;

(4) once groundwater becomes polluted, it is extremely difficult and at times impossible to return it to its natural state;

(5) consumption of polluted groundwater can result in significant health impacts, even at relatively low concentrations; and

(6) groundwater must be protected for consumption and other uses by future generations.

## Sec. 2. [115D.02] [DEFINITIONS.]

Subdivision 1. [APPLICABLE DEFINITIONS.] The definitions provided in this section apply to terms used in sections 1 to 7, unless the context requires otherwise. The definitions provided in section 115.01 apply to terms used in sections 1 to 7, unless a different definition is provided in this section or the context requires otherwise.

Subd. 2. [BEST MANAGEMENT PRACTICES.] "Best management practices" means those practices that are most capable of preventing, reducing, minimizing, or eliminating the pollution of the waters of the state, and are most practicable, considering availability, economic factors, effectiveness, environmental impacts, ability to be implemented, and technical feasibility. Best management practices apply to, but are not limited to, schedules of activities, operation procedures, practices, techniques, maintenance procedures, application and use of chemicals, drainage from raw material storage, treatment requirements, and other activities that may cause or contribute to water pollution.

Subd. 3. [PERSON.] "Person" means a human being; a municipality or other governmental or political subdivision; a public agency; a public or private corporation; a partnership, firm, association, or other organization; a receiver, trustee, assignee, agent, or other legal representative of any of the foregoing; or any other legal entity.

Subd. 4. [REGULATING AUTHORITY.] "Regulating authority" means a state agency, political subdivision, special purpose district, or other governmental unit with legal authority to adopt and enforce water resources protection requirements.

Subd. 5. [WATER RESOURCES PROTECTION REQUIREMENTS.] "Water resources protection requirements" means requirements intended to prevent, reduce, minimize, or eliminate pollution of the waters of the state that are enforceable under law, ordinance, permit, license, or order. Water resources protection requirements include: design criteria, guidance, or requirements; standards; operation and maintenance procedures; practices to control releases, spills, leaks, and sludge and waste disposal; restrictions on use and practices; and treatment requirements.

Sec. 3. [115D.03] [STATE PROGRAMS.]

Subdivision 1. [PROGRAM REVIEW.] The environmental quality board shall identify those state agency programs that affect activities that may cause or contribute to groundwater pollution.

Subd. 2. [STATE AGENCIES.] (a) Each state agency that has a program identified pursuant to subdivision 1 shall identify and develop best management practices to ensure that the program is consistent with and is effective in achieving the goal of section 1 and is effective in meeting the limits established under section 5. For those activities which may cause or contribute to pollution of groundwater, but are not directly regulated by the state, best management practices shall be promoted through education, support programs, incentives, and other mechanisms.

(b) State agencies must concentrate efforts to identify and develop best management practices in sensitive areas with Karst and sand plain features as provided in section 7, subdivision 1.

Subd. 3. [DEPARTMENT OF AGRICULTURE.] The department of agriculture shall identify and develop best management practices for the distribution, storage, and use of pesticides and fertilizers, except as otherwise provided in law.

Subd. 4. [EDUCATION.] The Minnesota extension service shall develop and implement educational programs, in cooperation with state agencies and local units of government involved in comprehensive water planning, that promote the use of best management practices for the protection of groundwater.

Sec. 4. [115D.04] [DUTY TO PREVENT POLLUTION.]

Persons whose activity may cause or contribute to pollution of groundwater shall use all practicable means of preventing the pollution.

Sec. 5. [115D.05] [HEALTH AND POLLUTION LIMITS.]

Subdivision 1. [DEPARTMENT OF HEALTH.] (a) The depart-

ment of health shall adopt rules specifying procedures and criteria for establishing and periodically revising a list of health risk limits for drinking water. The rules shall require the limits to be set at levels such that there is no significant long-term risk to human health from using that water, considering prudent margins of safety and complicating effects due to the presence of multiple pollutants or breakdown products. The rules shall provide for the establishment of temporary emergency limits that are not subject to paragraph (b).

(b) After rules are adopted under paragraph (a), the department shall establish a list of health risk limits in accordance with the rules and the procedures provided in this paragraph. The establishment of the list is exempt from the requirements of chapter 14. The department shall reevaluate each limit at least every four years after it has been established. Before a list of health risk limits is established or revised, the department shall:

(1) publish in the State Register and disseminate through the Minnesota extension service and through soil and water conservation districts notice of its intent to establish or revise health risk limits for specific substances and shall solicit information on the health impacts of those substances;

(2) publish a proposed list of health risk limits in the State Register and disseminate through the Minnesota extension service and through soil and water conservation districts allowing 60 days for public comment; and

(3) publish the final list of health risk limits in the State Register and, at the same time, make available a summary of the public comments received and the department's responses to the comments.

(c) A limit established by the department under paragraph (b) may be challenged in the manner provided in sections 14.44 and 14.45, except that the court may declare a limit invalid only if it finds that the limit was not established in accordance with the rules adopted under paragraph (a) or the procedures provided in paragraph (b) or that the limit is arbitrary or capricious.

Subd. 2. [POLLUTION CONTROL AGENCY.] The pollution control agency may adopt rules establishing numerical groundwater pollution limits. The rules shall:

(1) use the department of health's health risk limits as the measure of health risk;

(2) provide for the establishment of more protective limits where

groundwater interactions with surface water may otherwise result in impairment of surface water quality;

(3) not preclude regulating authorities from adopting requirements for facilities or practices to further minimize pollution consistent with section 1, where it is practicable; and

(4) provide standards for guiding the actions of regulating authorities under section 6.

Sec. 6. [115D.06] [ACTIONS BY REGULATING AUTHORITIES.]

Subdivision 1. [GROUNDWATER POLLUTION OCCURRENCE.]

(a) Where groundwater pollution is detected during ongoing monitoring programs, the responsible state agency shall take appropriate actions consistent with the goal of section 1 to confirm detection and may investigate possible sources, investigate the extent of groundwater pollution, and may conduct informational and educational efforts and other appropriate actions in the affected areas.

(b) A water resources protection requirement may not be enforced by a state agency before September 30, 1991 except as provided in section 7, subdivision 1 for sensitive areas with Karst or sand plain features.

Subd. 2. [GROUNDWATER POLLUTION IN EXCESS OF LIMITS.] If groundwater pollution exceeds or is likely to exceed limits established under section 5, the regulating authority shall take appropriate actions consistent with the goal of section 1 and the limits established under section 5.

Subd. 3. [APPROPRIATE ACTIONS.] For the purpose of this section and section 7, "appropriate actions" include actions to confirm detection and investigate possible sources, investigate the extent of groundwater pollution, conduct informational or educational efforts in the affected areas, require implementation of management practices, develop water resources protection requirements, require changes in monitoring, restrict or modify the activity or use in question, or require or provide groundwater remediation or containment. Nothing in this section shall be interpreted to confer any authority to adopt water resources protection requirements upon any state agency, political subdivision, special purpose district, or other local governmental unit beyond the authority conferred by other law.

Subd. 4. [NITROGEN COMPOUNDS IN GROUNDWATER.] The department of agriculture and the pollution control agency, in consultation with the board of water and soil resources and Minnesota agricultural experiment station, shall prepare a report on nitrate and related nitrogen compounds in groundwater. The report

shall consider recommendations made by local government in comprehensive local water plans and the program review required in section 3, subdivision 2, use data developed by the Minnesota agricultural experiment station, and shall incorporate the findings of the fertilizer nitrogen task force identified in article 2, section 12. This report shall be submitted to the environmental quality board by July 1, 1991. The board shall provide recommendations to the legislature by November 15, 1991, based upon this report.

The report shall be based on existing information and shall examine areas in which improvements in the state and local response to this problem are feasible. The report shall address, but not be limited to, the following issues: the determination of trends in nitrogen pollution; causative factors; the development of recommended best management practices to reduce or minimize pollution; regulatory controls; the feasibility of proposed treatment and corrective or mitigative measures; and the economic impacts of proposed corrective measures.

#### Sec. 7. [115D.07] [PROTECTION OF SENSITIVE AREAS.]

Subdivision 1. [POLICY.] In order to achieve the goal of section 1 and comply with the limits established under section 5, a concentration of state and local efforts to protect groundwater in sensitive areas is required. Until the application of criteria for determination of sensitive areas pursuant to subdivisions 3 and 4 is complete, state agencies shall consider areas with Karst and sand plain features to be sensitive and must concentrate efforts to develop and implement best management practices, water resources protection requirements, and educational programs.

Subd. 2. [DEFINITION.] "Sensitive area" or "sensitive groundwater area" means a geographic area defined by natural features where the groundwater is at significant risk of contamination from activities conducted at or near the land surface.

Subd. 3. [CRITERIA FOR DETERMINATION OF SENSITIVE AREAS.] The environmental quality board shall, after consultation with representatives of local government, and members of agricultural and environmental groups adopt a list of specific criteria for identifying sensitive groundwater areas and establish procedures for applying the criteria in such areas, by September 30, 1991.

Subd. 4. [INCORPORATION OF CRITERIA.] State agencies must incorporate the criteria into appropriate programs according to the procedures established under subdivision 3.

Subd. 5. [ACTIONS BY REGULATING AUTHORITIES.] Upon adoption of a comprehensive local water plan as defined in article 7, a regulating authority must take into account the plan and any

geological assessments referenced in the plan when taking appropriate actions in sensitive areas.

Subd. 6. [INFORMATION GATHERING.] The environmental quality board is responsible for coordinating state and state-funded local information gathering efforts pursuant to the identification of sensitive groundwater areas. Information shall be collected and automated in accordance with article 6.

Sec. 8. [115D.08] [EFFECT ON OTHER LAW.]

Sections 1 to 7 do not limit any person's cause of action under chapter 116B; restrict the authority that a state agency or a local unit of government may have from any other law; or create new enforcement authority.

ARTICLE 2

FERTILIZER, SOIL AMENDMENT, AND PLANT AMENDMENT

Section 1. [17.7121] [POWERS AND DUTIES OF COMMISSIONER.]

Subdivision 1. [ADMINISTRATION BY COMMISSIONER.] The commissioner shall administer, implement, and enforce this chapter and the department of agriculture is the lead state agency for the regulation of fertilizer, including, but not limited to, its storage, handling, distribution, use, and disposal.

Subd. 2. [DELEGATION OF DUTIES.] The commissioner's duties under this chapter may be delegated to designated employees or agents of the department of agriculture.

Subd. 3. [DELEGATION TO APPROVED AGENCIES.] The commissioner may, by written agreements, delegate specific inspection, enforcement, and other regulatory duties of this chapter to officials of approved agencies.

Sec. 2. [17.7122] [POLICY; RULES.]

It is the policy of this state to seek to achieve and maintain uniformity with national standards and with other states, insofar as possible, of regulation and control of the manufacture, distribution, and sale of fertilizer in this state.

Sec. 3. Minnesota Statutes 1988, section 17.713, is amended to read:

17.713 [DEFINITIONS.]



Subdivision 1. [GENERALLY.] When used in sections 17.711 to 17.729 the terms defined in this section have the meanings given them.

Subd. 1a. [APPROVED AGENCY.] "Approved agency" means a state agency other than the department of agriculture or an agency of a county, home rule charter or statutory city, town, or other political subdivision that has signed a joint powers agreement under section 471.59 with the commissioner.

Subd. 1b. [BEST MANAGEMENT PRACTICES.] "Best management practices" has the meaning given to it in article 1, section 2, subdivision 1.

Subd. 1c. [WATER RESOURCES PROTECTION REQUIREMENTS.] "Water resources protection requirements" has the meaning given to it in article 1, section 2, subdivision 5.

Subd. 2. [BRAND.] "Brand" means a term, design, or trademark used in connection with one or several grades of ~~commercial~~ fertilizers or with soil and plant amendment materials.

Subd. 3. [BULK FERTILIZER.] "Bulk fertilizer" means any commercial fertilizer material distributed in a nonpackaged form.

Subd. 3a. [CHEMIGATION.] "Chemigation" means a process of applying fertilizers to land or crops including, but not limited to, agricultural, nursery, turf, golf course, or greenhouse sites in or with irrigation water during the irrigation process.

Subd. 4. [COMMERCIAL FERTILIZER.] "Commercial fertilizer" includes those sold which are both mixed fertilizer or fertilizer materials.

Subd. 4a. [COMMISSIONER.] "Commissioner" means the commissioner of agriculture or a designee.

Subd. 4b. [COMPOST.] "Compost" is a material derived primarily or entirely from biological decomposition of vegetative organic matter or animal manure to which no inorganic fertilizers have been added other than to promote decomposition.

Subd. 4c. [CORRECTIVE ACTION.] "Correction action" means an action taken to minimize, eliminate, or clean up an incident.

Subd. 4d. [CUSTOM APPLY.] "Custom apply" means to apply a fertilizer, soil amendment, or plant amendment product for hire.

Subd. 4e. [DEFICIENCY.] "Deficiency" means that amount of

nutrient found by analysis less than that guaranteed which may result from a lack of nutrient ingredients or from lack of uniformity.

Subd. 5. [DISTRIBUTOR.] "Distributor" means any person who imports, consigns, manufactures, produces, compounds, mixes, or blends ~~commercial~~ fertilizer, or who offers for sale, sells, barter, or otherwise supplies ~~commercial~~ fertilizer or soil and plant amendments in this state.

Subd. 5a. [ENVIRONMENT.] "Environment" means surface water, groundwater, air, land, plants, humans, and animals and their interrelationships.

Subd. 5b. [FERTILIZER.] "Fertilizer" means a substance containing one or more recognized plant nutrients that is used for its plant nutrient content and designed for use or claimed to have value in promoting plant growth, except unmanipulated animal and vegetable manures, marl, lime, limestone, and other products exempted by rule by the commissioner.

Subd. 6. [FERTILIZER MATERIAL.] "Fertilizer material" means any substance containing nitrogen, phosphorus, potassium or any recognized plant food nutrient, or any compound which is used primarily for its plant nutrient content or for compounding mixed fertilizers except unmanipulated animal and vegetable manures.

Subd. 6a. [FIXED LOCATION.] "Fixed location" means all stationary fertilizer facility operations, owned and or operated by a person, located in the same plant location or locality.

Subd. 7. [GRADE.] "Grade" means the percentage of total nitrogen (N), available phosphorus (P) or phosphoric acid (P<sub>2</sub>O<sub>5</sub>), and soluble potassium (K) or soluble potash (K<sub>2</sub>O) stated in whole numbers in the same terms, order, and percentages as in the guaranteed analysis; provided, however, that fertilizer materials, bone meals, manures, and similar raw materials may be guaranteed in fractional units, and specialty fertilizers may be guaranteed in fractional units of less than one percent of total nitrogen, available phosphorus or phosphoric acid, and soluble potassium or soluble potash.

Subd. 8. [GUARANTEED ANALYSIS.] "Guaranteed analysis": (1) Until the commissioner prescribes the alternative form of "guaranteed analysis" in accordance with the provisions of paragraph 2 of this subdivision, the term "guaranteed analysis" shall mean the percentage of plant nutrient content, if claimed, in the following order form:

(a) <u>Total nitrogen</u>	....percent
<u>Available phosphoric acid</u>	....percent
<u>Soluble potash</u>	....percent

Total Nitrogen (N) .....percent

Available Phosphoric Acid (P2O5) .....percent

Soluble Potash (K2O) .....percent

(b) (a) For unacidulated mineral phosphatic materials and basic slag, bone, tankage, and other organic phosphate materials, the total phosphoric acid or degree of fineness, or both, may also be guaranteed.

(c) (b) Guarantees for plant nutrients other than nitrogen, phosphorus and potassium may be permitted or required by rule of the commissioner. The guarantees for such other nutrients shall be expressed in the elemental form. The sources of such other elements, oxides, salt, and chelates, may be required to be stated on the application for registration and may be included as a parenthetical statement on the label. Other beneficial substances or compounds, determinable by laboratory methods, also may be guaranteed by permission of the commissioner and with the advice of the director of the agricultural experiment station. When any plant nutrients or other substances or compounds are guaranteed, they shall be subject to inspection and analyses in accord with the methods and rules prescribed by the commissioner.

(d) (c) Potential basicity or acidity expressed in terms of calcium carbonate equivalent in multiples of 100 pounds per ton, when required by rule.

(2) When the commissioner finds, after public hearing following due notice, that the requirement for expressing the guaranteed analysis of phosphorus and potassium in elemental form would not impose an economic hardship on distributors and users of fertilizer by reason of conflicting labeling requirements among the states, the commissioner may require thereafter that the "guaranteed analysis" shall be in the following form:

<u>Total nitrogen Nitrogen (N)</u>	....percent
<u>Available phosphorus Phosphorus (P)</u>	....percent
<u>Soluble potassium Potassium (K)</u>	....percent

The effective date of said rule shall be not less than one year following the issuance thereof, and provided, further, that for a period of two years following the effective date of said rule the equivalent of phosphorus and potassium may also be shown in the form of phosphoric acid and potash. After the effective date of a rule

issued under the provisions of this section, requiring that phosphorus and potassium be shown in the elemental form, the guaranteed analysis for nitrogen, phosphorus, and potassium shall constitute the grade.

(3) "Guaranteed analysis" of a soil amendment or plant amendment shall mean an accurate statement of composition including the percentages of each ingredient. If the product is a microbiological product, the number of viable microorganisms per milliliter for a liquid or the number of viable microorganisms per gram for a dry product must also be listed.

Subd. 9. [GUARANTOR.] "Guarantor" means the person who is guaranteeing the material to be as stated in the guaranteed analysis statement.

Subd. 9a. [HAZARDOUS WASTE.] "Hazardous waste" means a substance identified or listed as hazardous waste in the rules adopted under section 116.07, subdivision 4.

Subd. 9b. [INCIDENT.] "Incident" means a flood, fire, tornado, transportation accident, storage container rupture, leak, spill, emission, discharge, escape, disposal, or other event that releases or immediately threatens to release a fertilizer, soil amendment, or plant amendment accidentally or otherwise into the environment, and may cause unreasonable adverse effects on the environment. Incident does not include a release resulting from the normal use of a product or practice in accordance with law.

Subd. 9c. [INVESTIGATIONAL ALLOWANCE.] "Investigational allowance" means an allowance for variations inherent in the taking, preparation, and analysis of an official sample of fertilizer.

Subd. 9a. 9d. [LABEL.] "Label" means the display of all written, printed or graphic matter upon the immediate container or the statement accompanying a ~~commercial~~ fertilizer, soil amendment or plant amendment.

Subd. 9b. 9e. [LABELING.] "Labeling" means all written, printed or graphic matter upon or accompanying any ~~commercial~~ fertilizer, soil amendment or plant amendment or advertisements, brochures, posters, television, radio or other announcements used in promoting their sale.

Subd. 9e. 9f. [MANIPULATED MANURES.] "Manipulated manures" means substances composed primarily of excreta, plant remains, or mixtures of substances means fertilizers that are manufactured, blended, mixed, or animal or vegetable manures which have been treated in any manner, including mechanical

drying, grinding, pelleting and other means, or by adding other chemicals or substances.

Subd. 10. [MIXED FERTILIZER.] "Mixed fertilizer" means any combination or mixture of fertilizer material designed for use or claimed to have value in promoting plant growth, with or without inert materials.

Subd. 11. [MOBILE MECHANICAL UNIT.] "Mobile mechanical unit" means any portable machine or apparatus used to blend, mix, or manufacture fertilizer materials fertilizers.

Subd. 12. [OFFICIAL SAMPLE.] "Official sample" means any sample of commercial fertilizer, soil amendment or plant amendment taken by the commissioner according to methods prescribed by sections 17.711 to 17.729.

Subd. 13. [ORGANIC.] "Organic" when applied to fertilizer nutrients refers only to naturally occurring substances generally recognized as the hydrogen compounds of carbon and their derivatives or synthetic products of similar composition whose water insoluble nitrogen content is at least 60 percent of the total nitrogen guaranteed.

Subd. 13a. [OWNER OF REAL PROPERTY.] "Owner of real property" means a person who is in possession of, has the right of control, or controls the use of real property, including without limitation a person who may be a fee owner, lessee, renter, tenant, lessor, contract for deed vendee, licensor, licensee, or occupant.

Subd. 14. [PERCENT; PERCENTAGE.] "Percent" or "percentage" means the percentage by weight.

Subd. 15. [PERSON.] "Person" includes individuals, partnerships, associations, firms, corporations, companies, and societies. means an individual, firm, corporation, partnership, association, trust, joint stock company, or unincorporated organization, the state, a state agency, or a political subdivision.

Subd. 15a. [PLANT AMENDMENT.] "Plant amendment" means any substance applied to plants or seeds which is intended to improve germination, growth, yield, product quality, reproduction, flavor, or other desirable characteristics of plants except commercial fertilizers, soil amendments, agricultural liming materials, animal and vegetable manures, pesticides, and other materials which may be exempted by rule.

Subd. 15b. [PLANT FOOD.] "Plant food" means any one of the following plant nutrients or any additional plant nutrient which might be generally recognized as beneficial for plant growth: nitro-

gen, phosphorus, potassium, calcium, magnesium, sulfur, boron, chlorine, cobalt, copper, iron, manganese, molybdenum, sodium and zinc.

Subd. 16. [REGISTRANT.] "Registrant" means the person who registers ~~commercial fertilizer material~~, soil amendment or plant amendment under the provisions of sections 17.711 to 17.729.

Subd. 16a. [RESPONSIBLE PARTY.] "Responsible party" means a person who at the time of an incident has custody of, control of, or responsibility for a fertilizer, fertilizer container, or fertilizer rinsate.

Subd. 16b. [RINSATE.] "Rinsate" means a dilute mixture of a fertilizer or fertilizer with water, solvents, oils, commercial rinsing agents, or other substances.

Subd. 16c. [SAFEGUARD.] "Safeguard" means a facility, equipment, device, or system, or a combination of these, as required by rule, designed to prevent an incident.

Subd. 17. [SELL.] "Sell," when applied to ~~commercial~~ fertilizer, soil amendment, or plant amendment, includes:

- (1) The act of selling, transferring ownership;
- (2) The offering and exposing for sale, exchange, distribution, giving away, and transportation in, and into, this state;
- (3) The possession with intent to sell, exchange, distribute, give away or transport in, and into, this state;
- (4) The storing, carrying and handling in aid of traffic therein, whether done in person or through an agent, employee or others; and
- (5) Receiving, accepting, and holding of consignment for sale.

Subd. 17a. [SEWAGE SLUDGE.] "Sewage sludge" means the solids and associated liquids in municipal wastewater which are encountered and concentrated by a municipal wastewater treatment plant. Sewage sludge does not include incinerator residues and grit, scum, or screenings removed from other solids during treatment. ~~Sewage sludge is exempt from all requirements of this chapter except the soil amendment labeling requirements of section 17.716 unless the sewage sludge meets the plant food content criteria for a commercial fertilizer in which case the sewage sludge will be considered a commercial fertilizer. A copy of the sewage sludge analysis required by the rules of the pollution control agency~~

adopted under section 116.07, subdivision 4, is sufficient to meet the labeling requirements of section 17.716.

Subd. 17b. [SITE.] "Site" includes land and water areas, air space, and plants, animals, structures, buildings, contrivances, and machinery, whether fixed or mobile, including anything used for transportation.

Subd. 18. [SMALL PACKAGE FERTILIZER.] "Small package fertilizer" means fertilizer material sold exclusively in packages of 25 pounds or less.

Subd. 19. [SOIL AMENDMENT.] "Soil amendment" means any aggregant or additive or any synthetic organic chemical substances, or chemically or physically modified natural substances, or naturally occurring substance, or manufacturing by-products, mixed or unmixed, which are represented as having a primary function of forming or stabilizing soil aggregants in soil to which it is to be applied and thereby improving the resistance of such soil to the slaking action of water, increasing its water and air permeability, improving the resistance of its surface to crusting, improving its ease of cultivation, or otherwise favorably modifying its structural or physical properties, a substance intended to improve the physical characteristics of the soil, except fertilizers, agricultural liming materials, pesticides, and other materials exempted by rules of the commissioner.

Subd. 20. [SPECIALTY FERTILIZER.] "Specialty fertilizer" means any commercial fertilizer labeled and distributed for, but not limited to, the following uses: commercial gardening, greenhouses, nurseries, sod farms, home gardens, house plants, lawns lawn fertilizer not custom applied, shrubs, golf courses, municipal parks, cemeteries, and research or experimental purposes.

Subd. 20a. [SUBSTANTIALLY ALTERING.] "Substantially altering" means modifying a facility by adding additional safeguards or storage containers, or changing existing storage containers, safeguards, appurtenances, or piping. This does not include routine maintenance of existing safeguards, storage containers, appurtenances, and piping or of existing mixing, blending, weighing, and handling equipment.

Subd. 21. [TON.] "Ton" means a net ton of 2,000 pounds avoirdupois.

Subd. 22. [UNREASONABLE ADVERSE EFFECTS ON THE ENVIRONMENT.] "Unreasonable adverse effects on the environment" means any unreasonable risk to humans or the environment, taking into account the economic, social, and environmental costs and benefits of the use of a fertilizer.

Subd. 23. [WILDLIFE.] "Wildlife" means living things that are not human, domesticated, or pests.

Sec. 4. Minnesota Statutes 1988, section 17.714, subdivision 1, is amended to read:

Subdivision 1. [REGISTRATION FEE; CERTAIN ITEMS.] Fertilizer brands and grades sold only as small package items or represented and labeled as specialty fertilizer; and soil and plant amendments sold with recommendations for commercial agricultural use, shall be registered and a fee paid pursuant to section 17.717. Fees paid for registration made in this manner shall be in lieu of any other license or tonnage fees. A person may not sell brands or grades of specialty fertilizer, soil amendments, or plant amendments in this state unless they are registered with the commissioner.

Sec. 5. Minnesota Statutes 1988, section 17.714, subdivision 3, is amended to read:

Subd. 3. [COPY OF LABEL, LABELING MATERIAL.] Application for registration of a small package fertilizer or a specialty fertilizer or a soil or plant amendment shall be accompanied by:

(a) A label or label facsimile of each product for which registration is requested; and

(b) A copy of all labeling material used in this state for promotion and sale of each product being registered.

Sec. 6. Minnesota Statutes 1988, section 17.714, subdivision 6, is amended to read:

Subd. 6. [MAY NOT SELL WITHOUT REGISTRATION.] No distributor or manufacturer shall sell, offer for sale or distribute in this state any small package fertilizer, specialty fertilizer, soil or plant amendment unless it has been registered with the department of agriculture. Registration of such materials is not a warranty by the department or the state.

Sec. 7. Minnesota Statutes 1988, section 17.714, is amended by adding a subdivision to read:

Subd. 7. [EXCEPTION.] Specialty fertilizers custom applied are exempt from the registration requirements of this section.

Sec. 8. [17.7145] [APPLICATION OF REQUIREMENTS TO SEWAGE SLUDGE AND COMPOST.]



Subdivision 1. [PROVISIONS APPLYING TO SEWAGE SLUDGE.] Sewage sludge given away is exempt from all requirements of this chapter except the labeling requirements of this chapter.

Subd. 2. [ANALYSIS MEETS LABELING REQUIREMENTS.] A copy of the sewage sludge analysis required by the rules of the pollution control agency adopted under section 116.07, subdivision 4, is sufficient to meet the labeling requirements.

Subd. 3. [PROVISIONS APPLYING TO COMPOST.] Compost given away is exempt from all requirements of this chapter.

Sec. 9. Minnesota Statutes 1988, section 17.715, subdivision 1, is amended to read:

Subdivision 1. [LICENSED PERSONS.] A person who manufactures, blends, mixes, or otherwise manipulates commercial fertilizer material and a person who stores or distributes bulk fertilizer for resale shall obtain may not sell, distribute, custom apply, or otherwise manipulate fertilizers without obtaining a license from the commissioner for each fixed location where the person does business within the state where these operations are performed and one license for all fixed locations that are located outside of the state.

Sec. 10. Minnesota Statutes 1988, section 17.715, subdivision 2, is amended to read:

Subd. 2. One license for all fixed locations of a firm which are located outside of the state shall be obtained from the commissioner. A distributor may not manipulate fertilizer by means of a mobile mechanical unit without a license from the commissioner for each mobile mechanical unit.

Sec. 11. Minnesota Statutes 1988, section 17.715, subdivision 4, is amended to read:

Subd. 4. Each license is effective until January 1 next following the date of its issuance or approval. All licenses shall be for the period January 1 to December 31 and shall be renewed thereafter by the licensee on or before January 1 of each year. A license shall is 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.

Sec. 12. Minnesota Statutes 1988, section 17.715, is amended by adding a subdivision to read:

Subd. 6. [UNLICENSED SALES.] No distributor or manufacturer

may sell, offer for sale, or distribute a fertilizer in this state without a license under this chapter unless the person is exempt from the licensing requirements in this chapter.

Sec. 13. Minnesota Statutes 1988, section 17.715, is amended by adding a subdivision to read:

Subd. 7. [COPY OF LABEL AND LABELING MATERIAL.] Application for license must include:

(1) an invoice delivery ticket, label, or label facsimile for each product manufactured or made as required by section 17.716; and

(2) a copy of all labeling material used in this state for promotion of each product manufactured or made.

Sec. 14. [17.7151] [APPLICATION REVIEW.]

Subdivision 1. [SUBSTANTIATION OF CLAIMS.] The commissioner may require a person applying for a license or registration to manufacture or distribute a product 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 a fertilizer or soil or plant amendment. The experimental evidence must relate to conditions in Minnesota for which the product is intended. The commissioner may also require evidence of value when used as directed or recommended.

Subd. 2. [INSUFFICIENT EVIDENCE.] If the commissioner determines that the evidence submitted 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.

Subd. 3. [REFUSAL TO LICENSE OR REGISTER.] The commissioner may refuse to license a person or register a specialty fertilizer or soil or plant amendment:

(1) if the application for license or registration is not complete;

(2) if the commissioner determines that the fertilizer, soil amendment, plant amendment, or any other additives with substantially the same contents, will not or is not likely to produce the results or effects claimed when used as directed;

(3) if the commissioner determines that the fertilizer, soil amend-

ment, plant amendment, or any other additive with substantially the same contents, is not useful in this state; or

(4) the facility is not safeguarded for bulk storage under section 17.7155 and as required by rule.

Subd. 4. [APPLICATION REVIEW AND REGISTRATION.] After reviewing the application accompanied by the application fee, the commissioner may issue a conditional license or registration to prevent unreasonable adverse effects on the environment or if the commissioner determines that the applicant needs the license or registration to accumulate information necessary to substantiate claims or to correct minor label violations. The commissioner may prescribe terms, conditions, and a limited period of time for the conditional license or registration. After a conditional license or registration is issued, the commissioner may revoke or modify the license or registration if the commissioner finds that its terms or conditions are being violated or are inadequate to avoid unreasonable adverse effects on the environment.

The commissioner may deny issuance of a conditional license or registration if the commissioner determines that issuance of a license or registration is not warranted or that the use to be made of the product under the proposed terms and conditions may cause unreasonable adverse effects on the environment.

Subd. 5. [PROTECTION OF TRADE SECRETS.] (a) In submitting data required by this chapter, the applicant may:

(1) clearly mark any portions that in the applicant's opinion are trade secrets, or commercial, or financial information; and

(2) submit the marked material separately from other material.

(b) After consideration of the applicant's request submitted under paragraph (a), the commissioner shall not make any information public that in the commissioner's judgment contains or relates to trade secrets or to commercial or financial information obtained from an applicant. When necessary, information relating to formulas of products may be revealed to a state or federal agency consulted with similar protection of trade secret authority and may be revealed at a public hearing or in findings of facts issued by the commissioner.

(c) If the commissioner proposes to release information that the applicant or registrant believes to be protected from disclosure under paragraph (b), the commissioner shall notify the applicant or registrant by certified mail. The commissioner shall not make the information available for inspection until 30 days after receipt of the notice by the applicant or registrant. During this period, the

applicant or registrant may institute an action in an appropriate court for a declaratory judgment as to whether the information is subject to protection under this section.

Sec. 15. [17.7153] [FERTILIZER PRACTICES.]

The commissioner shall:

(1) establish best management practices and water resources protection requirements involving fertilizer use, distribution, storage, handling, and disposal;

(2) cooperate with other state agencies and local governments to protect public health and the environment from harmful exposure to fertilizer; and

(3) appoint a task force to study the effects and impact on water resources from nitrogen fertilizer use so that best management practices, a fertilizer management plan, and nitrogen fertilizer use regulations can be developed. The task force must include farmers, representatives from farm organizations, the fertilizer industry, University of Minnesota, environmental groups, representatives of local government involved with comprehensive local water planning, and other state agencies, including the Minnesota pollution control agency, the Minnesota department of health, the Minnesota department of natural resources, the Minnesota state planning agency, the board of animal health, and the board of water and soil resources.

The task force shall review existing research including pertinent research from the University of Minnesota and shall develop recommendations for a nitrogen fertilizer management plan for the prevention, evaluation, and mitigation of nonpoint source occurrences of nitrogen fertilizer in waters of the state. The nitrogen fertilizer management plan must include components promoting prevention and developing appropriate responses to the detection of nitrate and related nitrogen from fertilizer sources in ground or surface water.

The task force shall report its recommendations to the commissioner by May 1, 1990. The commissioner shall report to the environmental quality board by July 1, 1990, on the task force's recommendations. The recommendations of this task force shall be incorporated into an overall nitrate and related nitrogen plan prepared by the pollution control agency and the department of agriculture as set forth in article 1, section 6.

Sec. 16. [17.7154] [PROHIBITED FERTILIZER ACTIVITIES.]

Subdivision 1. [STORAGE, HANDLING, DISTRIBUTION, OR

DISPOSAL.] A person may not store, handle, distribute, or dispose of a fertilizer, rinsate, fertilizer container, or fertilizer application equipment in a manner:

(1) that endangers humans, damages agricultural products, food, livestock, fish, or wildlife;

(2) that will cause unreasonable adverse effects on the environment; or

(3) that will cause contamination of public or other waters of the state as defined in section 105.37, subdivisions 7 and 14, from backsiphoning or backflowing of fertilizers through water wells or from the direct flowage of fertilizers.

Subd. 2. [USE OF PUBLIC WATER SUPPLIES FOR FILLING EQUIPMENT.] A person may not fill fertilizer application equipment directly from a public water supply, as defined in section 144.382, unless the outlet from the public water supply is equipped with a backflow prevention device that complies with Minnesota Rules, parts 4715.2000 to 4715.2280.

Subd. 3. [USE OF PUBLIC WATERS FOR FILLING EQUIPMENT.] A person may not fill fertilizer application equipment directly from public waters of the state, as defined in section 105.37, subdivision 14, unless the equipment contains proper and functioning anti-backsiphoning mechanisms. The person may not introduce fertilizers into the application equipment until after filling the equipment from the public waters.

Subd. 4. [CLEANING EQUIPMENT IN OR NEAR SURFACE WATER.] A person may not:

(1) clean fertilizer application equipment in surface waters of the state; or

(2) fill or clean fertilizer application equipment adjacent to surface waters, ditches, or wells where, because of the slope or other conditions, fertilizers or materials contaminated with fertilizers could enter or contaminate the surface waters, groundwater, or wells, as a result of overflow, leakage, or other causes.

Subd. 5. [FERTILIZER, RINSATE, AND CONTAINER DISPOSAL.] A person may only dispose of fertilizer, rinsate, and fertilizer containers in accordance with this chapter. The manner of disposal must not cause unreasonable adverse effects on the environment.

Sec. 17. Minnesota Statutes 1988, section 17.7155, is amended to read:

## 17.7155 [APPROVAL OF FACILITY AND EQUIPMENT.]

Subdivision 1. [APPROVAL.] A person beginning construction of or substantially altering an existing facility or equipment used for the manufacture, blending, handling, or bulk storage of commercial fertilizers, soil or plant amendments shall must obtain the approval of a permit from the commissioner on forms provided by the commissioner before the person constructs or substantially alters:

(1) safeguards; or

(2) an existing facility used for the manufacture, blending, handling, or bulk storage of fertilizers, soil amendments, or plant amendments. The commissioner may not grant a permit for a site without safeguards that are adequate to prevent the escape or movement of the fertilizers from the site.

Subd. 2. [TRANSFER.] The approval shall not be transferable from one person to another, or from the ownership to whom issued to another ownership, or from one location to another.

## Sec. 18. [17.7156] [CHEMIGATION.]

Subdivision 1. [PERMIT REQUIRED.] (a) A person may not apply fertilizers through an irrigation system without a chemigation permit from the commissioner. A chemigation permit is required for one or more wells, or other irrigation water source, that is protected from fertilizer contamination by devices as required by rule. The commissioner may allow irrigation to be used to apply fertilizers on crops and land, including agricultural, nursery, turf, golf course, and greenhouse sites.

(b) A person must apply for a chemigation permit on forms prescribed by the commissioner.

Subd. 2. [EQUIPMENT.] A chemigation system must be fitted with effective antisiphon devices or check valves that prevent the backflow of fertilizers or fertilizer-water mixtures into water supplies or other materials during times of irrigation system failure or equipment shutdown. The devices or valves must be installed between:

(1) the irrigation system pump or water source discharge and the point of fertilizer injection; and

(2) the point of fertilizer injection and the fertilizer supply.

Subd. 3. [APPLICATION FEE.] A person initially applying for a chemigation permit must pay a nonrefundable application fee of

\$50. A person who holds a valid pesticide chemigation permit as required by chapter 18B is exempt from the fee in this subdivision.

Subd. 4. [RULES.] The commissioner shall, by rule, develop specific requirements for implementation of a program to regulate application of fertilizers by irrigation.

Sec. 19. Minnesota Statutes 1988, section 17.716, subdivision 1, is amended to read:

Subdivision 1. [LABEL CONTENTS.] Any ~~commercial~~ fertilizer offered for sale or sold or distributed in this state in bags, or other containers, ~~shall must~~ have placed on or affixed to the container a label setting forth in clearly legible and conspicuous form the following information: (a) (1) the net weight; (b) (2) the brand and grade. When, except that the grade is not required if no primary nutrients are claimed, and if the commercial fertilizer material is used solely for agricultural purposes, inclusion of the grade on the tag or label, shall be optional providing if the guaranteed analysis statement is shown in the complete form as in section 17.713, subdivision 8; (c) (3) the guaranteed analysis; (d) (4) the name and address of the guarantor; (5) directions for use; and (6) a derivatives statement. Such This information, if not appearing on the face or display side of the container in a conspicuous form, ~~shall must~~ appear on the upper one third of the side of the container, or on the upper end of the container or ~~shall must~~ be printed on tags affixed conspicuously to the upper end of the container.

Sec. 20. Minnesota Statutes 1988, section 17.716, subdivision 2, is amended to read:

Subd. 2. [BLENDS AND MIXTURES.] Any distributor who blends or mixes fertilizer materials to a customer's order without a guaranteed analysis of the final mixture shall furnish each and every purchaser, in written or printed form, an invoice or delivery ticket showing the net weight and guaranteed analysis of each and every one of the materials used in the mixture, ~~which shall. This document must accompany the delivery. Records of invoices or delivery tickets must be kept for five years after the delivery or application.~~

Sec. 21. Minnesota Statutes 1988, section 17.716, subdivision 4, is amended to read:

Subd. 4. The plant food content of a given lot must remain uniform and may not become segregated within the lot.

Sec. 22. Minnesota Statutes 1988, section 17.718, is amended to read:

## 17.718 [TONNAGE REPORT.]

Subdivision 1. [SEMIANNUAL STATEMENT] Each licensed distributor of ~~commercial~~ fertilizer and each registrant of a ~~commercial~~ specialty fertilizer, soil amendment, or plant amendment 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 each brand or grade of commercial fertilizer, soil amendment, or plant amendment distributed in this state during the reporting period. A report from a licensee who sells to an ultimate consumer must be accompanied by records or invoice copies indicating the name of the distributor who paid the inspection fee, the net tons received, and the grade or brand name of the products received. The report is due on or before the ~~30th~~ 31st of the month following the close of each reporting period of each calendar year. The inspection fee at the rate stated in section 17.717, subdivision 5 shall accompany the statement. For the tonnage report that is not filed or the payment of inspection fees that is not made within ~~30~~ 31 days after the end of the reporting period, a penalty of ten percent of the amount due, with a minimum penalty of \$10, shall be assessed against the licensee or registrant, and the total amount of fees due, plus penalty, shall constitute a debt and may be recovered in a civil action against the licensee or registrant. The assessment of this penalty shall not prevent the department from taking other actions as provided in this chapter. The commissioner may by rule require additional reports for the purpose of gathering statistical data relating to fertilizer, soil amendments, and plant amendments distribution in the state.

Subd. 2. When more than one person is involved in the distribution of a ~~commercial~~ fertilizer, soil amendment, or plant amendment, the last person licensed distributor who imports, manufactures, or produces the fertilizer or who has the specialty fertilizer, soil amendment, or plant amendment registered and who distributes to a nonlicensed or nonregistrant dealer or consumer is responsible for the inspection fee on products produced or brought into this state after July 1, 1989. The distributor must separately list the inspection fee on the invoice to the licensee. The last licensee must retain the invoices showing proof of inspection fees paid for three years and must pay the inspection fee on products brought into this state before July 1, 1989, unless the reporting and paying of fees have been made by a prior distributor of the fertilizer.

Subd. 3. Submission of each tonnage report ~~shall~~ is also be authority for the commissioner's permission to verify the records upon which ~~such~~ the statement of tonnage is based.

Sec. 23. Minnesota Statutes 1988, section 17.719, subdivision 1, is amended to read:

## Subdivision 1. [POWERS AND DUTIES OF COMMISSIONER]



ACCESS AND ENTRY.] The commissioner shall sample, inspect, make analysis of, and test commercial fertilizers, soil amendments and plant amendments offered for sale, sold, or distributed within this state at a time and place and to an extent the commissioner may deem necessary to determine whether the commercial fertilizers, soil amendments and plant amendments are in compliance with the provisions of sections 17-711 to 17-729, and may obtain additional information as the commissioner deems advisable. The commissioner is authorized to enter upon any public or private premises during regular business hours in order to have access to commercial fertilizers, soil amendments and plant amendments subject to the provisions of sections 17-711 to 17-729 and rules adopted under section 17-725. (a) The commissioner, upon presentation of official department credentials, must be granted access at reasonable times without delay to sites:

(1) where a person manufactures, formulates, distributes, uses, disposes of, stores, or transports a fertilizer, soil amendment, or plant amendment; and

(2) which the commissioner reasonably believes are affected, or possibly affected, by the use of a fertilizer, soil amendment or plant amendment, or device in violation of a provision of this chapter.

(b) The commissioner may enter sites for:

(1) inspection of equipment for the manufacture, blending, distribution, disposal, or application of fertilizers, soil amendments or plant amendments, and the premises on which the equipment is stored;

(2) sampling of sites actually or reportedly exposed to fertilizers, soil amendments, or plant amendments;

(3) inspection of storage, handling, distribution, use, or disposal areas of fertilizer, soil amendments, or plant amendments containers;

(4) inspection or investigation of complaints of injury to the environment;

(5) sampling of fertilizers, soil amendments, or plant amendments;

(6) observation of the use and application of a fertilizer, soil amendments, or plant amendments;

(7) inspection of records related to the manufacture, distribution, storage, handling, use, or disposal of fertilizer, soil amendments, or plant amendments;

(8) investigating the source, nature, extent of an incident, and the extent of the adverse effects on the environment;

(9) an emergency inspection at any time when a suspected incident may threaten public health or the environment; and

(10) other purposes necessary to implement this chapter.

Sec. 24. Minnesota Statutes 1988, section 17.719, subdivision 2, is amended to read:

Subd. 2. [OFFICIAL SAMPLE INSPECTION SAMPLES AND ANALYSES.] An official fertilizer, soil amendment or plant amendment sample shall be one drawn from a lot or shipment of fertilizer, soil amendment or plant amendment sold or exposed for sale in this state in the manner prescribed by the commissioner. In sampling a lot of commercial fertilizer, soil amendment or plant amendment registered under section 17.714, subdivision 1, a single package may constitute the official sample. (a) Before leaving the premises the commissioner shall provide the owner, operator, or agent in charge of an inspected site 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 shall be those adopted by the Association of Official Analytical Chemists. In cases not covered by such methods, or in cases where methods are available in which improved applicability has been demonstrated, the commissioner may adopt such appropriate methods from other sources.

In sampling a lot of fertilizer, soil amendment, or plant amendment registered under section 17.714, subdivision 1, a single package may constitute the official sample.

Sec. 25. Minnesota Statutes 1988, section 17.719, subdivision 3, is amended to read:

Subd. 3. [METHODS OF ANALYSIS OBTAINING EVIDENCE.] The methods of analysis shall be those adopted by the commissioner from published sources such as those of the association of official analytical chemists. In making inspections under this chapter, the commissioner shall have the power to administer oaths, certify as to official acts, issue subpoenas to and take and cause to be taken depositions of witnesses, and compel the attendance of witnesses and production of papers, books, documents, records, and testimony. If a person fails to comply with any subpoena lawfully issued, or a witness refuses to produce evidence or testify to any matter regarding which the person may be lawfully interrogated, the district court shall, upon application of the commissioner, compel obedience

proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued by the court or a refusal to testify in the court.

Sec. 26. Minnesota Statutes 1988, section 17.719, subdivision 4, is amended to read:

Subd. 4. [INSPECTION; SAMPLING; ANALYSIS REQUEST FOR INSPECTION.] The commissioner shall inspect facilities and equipment used for the manufacture, blending, handling, or storing of commercial fertilizers or soil and plant amendments. The commissioner is authorized to enter upon any public or private premises during regular business hours in order to have access to facilities and equipment used to manufacture, blend, handle, or store commercial fertilizers or soil and plant amendments subject to the provisions of sections 17.711 to 17.729 and rules adopted under section 17.725. A person who believes that a violation of this chapter has occurred may request an inspection by giving notice to the commissioner of such violation. Any such notice shall be in writing, shall set forth with reasonable particularity the grounds for the notice, and shall be signed by the person. If, upon receipt of the notice, the commissioner reasonably believes that a violation occurred, the commissioner shall, as soon as is practicable, make a special inspection in accordance with the provisions of this section as soon as practicable to determine if a violation occurred. An inspection conducted because of a complaint may cover an entire site and shall not be limited to that portion of the site specified in the notice. If the commissioner determines that there are no reasonable grounds to believe that a violation occurred, the commissioner shall notify the person in writing of that determination.

Sec. 27. Minnesota Statutes 1988, section 17.719, is amended by adding a subdivision to read:

Subd. 5. [REFUSAL TO PERMIT ENTRY.] Upon the refusal or anticipated refusal, based on a refusal to permit entrance on a prior occasion, of an owner, operator, or agent in charge to permit entry as specified in this chapter, the commissioner may apply for an order in the district court in the county in which a site is located to compel a person with authority to permit the commissioner to enter and inspect the site.

Sec. 28. Minnesota Statutes 1988, section 17.719, is amended by adding a subdivision to read:

Subd. 6. [PAYMENT OF COSTS.] If an inspection or investigation reveals that a violation of this chapter has occurred, the commissioner may require the violator to pay the commissioner for the reasonable costs incurred by the commissioner in that inspection or investigation. The commissioner may enter an order for recovery of such costs.

Sec. 29. Minnesota Statutes 1988, section 17.72, is amended to read:

**17.72 [FERTILIZER, SOIL AMENDMENT OR PLANT AMENDMENT-PESTICIDE MIXTURE.]**

Each distributor who blends, mixes, or otherwise adds pesticides to ~~commercial fertilizer materials~~ fertilizers, soil amendments or plant amendments shall be licensed in accordance with section 17.715, and shall comply with the provisions of ~~sections 18A.21 to 18A.45~~ article 3 and the federal insecticide, fungicide and rodenticide act (Public Law 92-516), as amended.

Sec. 30. Minnesota Statutes 1988, section 17.721, is amended by adding a subdivision to read:

**Subd. 3. [PLANT FOOD DEFICIENCIES.] Paragraphs (a) to (d) cover plant food deficiencies.**

(a) Analysis must show that a fertilizer is deficient (1) in one or more of its guaranteed primary plant nutrients beyond the investigational allowances and compensations as established by regulation, or (2) if the overall index value of the fertilizer is shown below the level established by rule.

(b) A deficiency in an official sample of mixed fertilizer resulting from nonuniformity is not distinguishable from a deficiency due to actual plant nutrient shortage and is properly subject to official action.

(c) For the purpose of determining the commercial index value to be applied, the commissioner shall determine at least annually the values per unit of nitrogen, available phosphoric acid, and soluble potash in fertilizers in this state.

(d) If any fertilizer in the possession of the consumer is found by the commissioner to be short in weight, the registrant or licensee of the fertilizer must within 30 days after official notice from the commissioner submit to the consumer a penalty payment of two times the value of the actual shortage.

Sec. 31. Minnesota Statutes 1988, section 17.722, is amended to read:

**17.722 [FALSE OR MISLEADING STATEMENTS.]**

The ~~commercial~~ fertilizer, soil amendment or plant amendment is misbranded if it carries a false or misleading statement on the container, on the label attached to the container, or if false or misleading statements concerning the fertilizer, soil amendment or

plant amendment are disseminated in any manner or by any means. It is unlawful to distribute a misbranded fertilizer, soil amendment or plant amendment.

Sec. 32. Minnesota Statutes 1988, section 17.723, is amended to read:

#### 17.723 [ADULTERATION.]

No person shall distribute an adulterated fertilizer, soil amendment or plant amendment product. A commercial fertilizer, soil amendment or plant amendment shall be deemed to be adulterated: (a) If it contains any deleterious or harmful ingredient in sufficient amount to render it injurious to plant life when applied in accordance with directions for use on the label; or (b) If its composition falls below or differs from that which it is purported to possess by its labeling; or (c) If it contains unwanted crop seed or weed seed.

Adulterated products that cannot be reconditioned must be disposed of according to approved methods approved by the commissioner.

Sec. 33. Minnesota Statutes 1988, section 17.725, subdivision 2, is amended to read:

Subd. 2. [LIMING MATERIALS.] The commissioner may adopt rules governing the labeling, registration, and distribution of liming materials sold for agricultural purposes, including limestone (carbonates), sulfates, slags (silicates), burned lime (oxides), and hydrated lime (hydroxides). Such products shall not be subject to any tonnage fees under section 17.717, subdivision 4. No registration fee may be imposed on any distributor who sells liming materials only at retail to customers.

Sec. 34. Minnesota Statutes 1988, section 17.725, is amended by adding a subdivision to read:

Subd. 4. [NATIONAL CONFORMITY.] The commissioner may promulgate and amend rules for the efficient administration and enforcement of the Minnesota fertilizer, soil amendment and plant amendment law. The rules must conform with national standards, insofar as that is practicable and consistent with state law.

Sec. 35. Minnesota Statutes 1988, section 17.725, is amended by adding a subdivision to read:

Subd. 5. [HEARINGS.] Hearings authorized or required by law must be conducted by the commissioner or an officer, agent, or employee the commissioner designates.

Sec. 36. Minnesota Statutes 1988, section 17.725, is amended by adding a subdivision to read:

Subd. 6. [ADOPTION OF NATIONAL STANDARDS.] Applicable national standards contained in the 1989 official publication number 42, of the Association of American Plant Food Control Officials including the rules and regulations, statements of uniform interpretation and policy, and the official fertilizer terms and definitions, and not otherwise adopted by the commissioner, may be adopted as fertilizer rules of this state.

Sec. 37. Minnesota Statutes 1988, section 17.728, subdivision 1, is amended to read:

Subdivision 1. [REGISTRATION.] The commissioner may cancel the registration of any commercial specialty fertilizer, soil amendment or plant amendment or refuse to register any brand of commercial specialty fertilizer, soil amendment or plant amendment as herein provided, upon satisfactory evidence that the registrant has used fraudulent or deceptive practices in the evasion or attempted evasion of the provisions of sections 17.711 to 17.729 or any rules adopted under section 17.725. No registration shall be revoked until the registrant has been given opportunity for a hearing by the commissioner.

Sec. 38. Minnesota Statutes 1988, section 17.728, is amended by adding a subdivision to read:

Subd. 6. [ENFORCEMENT REQUIRED.] (a) The commissioner shall enforce this chapter.

(b) Upon the request of the commissioner, county attorneys, sheriffs, and other officers having authority in the enforcement of the general criminal laws shall take action to the extent of their authority necessary or proper for the enforcement of this chapter or special orders, standards, stipulations, and agreements of the commissioner.

(c) The commissioner shall have authority by administrative order to assess penalties of up to \$700 for a violation of a provision of this chapter.

(d) In determining the size of a penalty, the commissioner shall consider the economic benefit gained by the person by allowing or committing the violation, the gravity of the violation in terms of actual or potential damage to the environment, and the violator's culpability, good faith, and history of violations.

(e) The administrative penalty may be assessed if the person subject to a corrective action order or remedial action order does not

comply with the order in a reasonable time as provided in the order. The commissioner must state the amount of the administrative penalty in the corrective action order or remedial action order.

(f) Penalties assessed under this chapter shall be paid to the commissioner for deposit in the fertilizer regulatory account. If a violator fails to pay a penalty which is part of a final order within 30 days, the commissioner may commence a civil action for double the assessed penalty and attorney fees and costs. A penalty may be recovered in a civil action in the name of the department brought in the district court of the county where the violation is alleged to have occurred or the district court where the commissioner has an office.

Sec. 39. Minnesota Statutes 1988, section 17.728, is amended by adding a subdivision to read:

Subd. 7. [CRIMINAL ACTIONS] For a criminal action, the county attorney from the county where a criminal violation occurred is responsible for prosecuting a criminal violation of this chapter. If the county attorney refuses to prosecute, the attorney general may prosecute.

Sec. 40. Minnesota Statutes 1988, section 17.728, is amended by adding a subdivision to read:

Subd. 8. [CIVIL ACTIONS.] Civil judicial enforcement actions may be brought by the attorney general in the name of the state on behalf of the commissioner. A county attorney may bring a civil judicial enforcement action upon the request of the commissioner and agreement by the attorney general.

Sec. 41. Minnesota Statutes 1988, section 17.728, is amended by adding a subdivision to read:

Subd. 9. [INJUNCTION.] The commissioner may apply to a court with jurisdiction for a temporary or permanent injunction to prevent, restrain, or enjoin violations of this chapter.

Sec. 42. [17.7281] [ADMINISTRATIVE ACTION.]

Subdivision 1. [ADMINISTRATIVE REMEDIES.] The commissioner may seek to remedy violations by a written warning, administrative meeting, cease and desist, stop-use, stop-sale removal, or other special order, seizure, stipulation, agreement, or administrative penalty 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 a registration, permit, license, or certification if a person

violates this chapter or has a history within the past three years of violations of this chapter.

Subd. 3. [SERVICE OF ORDER OR NOTICE.] If the person is not available for service of an order, the commissioner may attach the order to the fertilizer, soil amendment or plant amendment equipment, or device or facility, and notify the person. The fertilizer, soil amendment, or plant amendment, equipment, or device may not be sold, used, or removed until the fertilizer, soil amendment, or plant amendment equipment, or device has been released under conditions specified by the commissioner, an administrative law judge, or a court.

Sec. 43. [17.7282] [ADMINISTRATIVE COMPLIANCE.]

Subdivision 1. [CONTESTED ORDER.] After personal service of an order, a person shall be granted at least 45 days from receipt of the order within which to notify the commissioner in writing that the person intends to contest the order. If the person fails properly to notify the commissioner that the person intends to contest the order, the order shall be deemed a final order of the agency and not subject to review by any court or agency.

Subd. 2. [ADMINISTRATIVE REVIEW.] (a) If a person notifies the commissioner that the person intends to contest an order issued under this chapter, the state office of administrative hearings shall conduct a hearing in accordance with the applicable provisions of chapter 14 for hearings. A hearing shall be conducted at a place designated by the commissioner within the county where the violation occurred or where the person contesting the order resides or has a principal place of business or any other place on which all the parties agree.

(b) Notwithstanding any provision of chapter 14, the final administrative law report shall be the final decision of the agency. Only an administrative law judge, under rules adopted by the office of administrative hearings, may entertain any application or reconsideration of a final agency decision.

Subd. 3. [JUDICIAL REVIEW.] (a) The commissioner or any party aggrieved by a final agency decision may seek judicial review of a final agency decision under sections 14.63 to 14.69.

(b) Any additional evidence required by a reviewing court under section 14.67 shall be taken by an administrative law judge. Only an administrative law judge may change the agency decision or any findings contained in it. The administrative law judge shall file with the reviewing court the additional evidence, together with any modifications or new findings or decisions as provided in section 14.67.



Subd. 4. [RECOVERING EXPENSES.] A prevailing party, including the commissioner, may recover the reasonable and necessary expenses incurred in a contested case or an appeal from a contested case.

Sec. 44. [17.7283] [CIVIL PENALTIES.]

Subdivision 1. [GENERAL PENALTY.] Except as provided in subdivision 2, a person who violates a provision of this chapter or a special order, standard, stipulation, agreement, or schedule of compliance of the commissioner is subject to a civil penalty of up to \$5,000 per day of violation as determined by the court.

Subd. 2. [DISPOSAL THAT BECOMES HAZARDOUS WASTE.] A person who violates a provision of this chapter or a special order, standard, stipulation, agreement, or schedule of compliance of the commissioner that relates to disposal of fertilizers, soil amendments, or plant amendments so that they become hazardous waste, is subject to the penalties in section 115.071.

Subd. 3. [DEFENSE TO CIVIL REMEDIES AND DAMAGES.] As a defense to a civil penalty or claim for damages under subdivisions 1 to 4, the defendant may prove that the violation was caused solely by an act of God, an act of war, or an act or failure to act that constitutes sabotage or vandalism, or any combination of these defenses.

Subd. 4. [ACTIONS TO COMPEL PERFORMANCE.] In an action to compel performance of an order of the commissioner to enforce a provision of this chapter, the court may require a defendant adjudged responsible to perform the acts within the person's power that are reasonably necessary to accomplish the purposes of the order.

Subd. 5. [RECOVERY OF PENALTIES BY CIVIL ACTION.] The civil penalties and payments provided for in this section may be recovered by a civil action brought by the county attorney or the attorney general in the name of the state.

Subd. 6. [RECOVERY OF LITIGATION COSTS AND EXPENSES.] A prevailing party may recover the reasonable and necessary value of all or a part of the litigation expenses incurred in an action brought under this chapter for civil penalties or injunctive relief, or in an action to compel compliance. In determining the amount of these litigation expenses to be allowed, the court shall give consideration to the economic circumstances of the defendant.

Sec. 45. [17.7284] [CRIMINAL PENALTIES.]

Subdivision 1. [GENERAL VIOLATION.] Except as provided in

subdivisions 2 and 3, a person is guilty of a misdemeanor, if the person violates a provision of this chapter, or a special order, standard, stipulation, agreement, or schedule or compliance of the commissioner.

Subd. 2. [VIOLATION ENDANGERING HUMANS.] A person is guilty of a gross misdemeanor if the person violates a provision of this chapter or a special order, standard, stipulation, agreement, or schedule of compliance of the commissioner, and the violation endangers humans.

Subd. 3. [VIOLATION WITH KNOWLEDGE.] A person is guilty of a gross misdemeanor if the person knowingly violates a provision of this chapter or standard, or a special order, stipulation, agreement, or schedule of compliance of the commissioner.

Subd. 4. [DISPOSAL THAT BECOMES HAZARDOUS WASTE.] A person who knowingly, or with reason to know, disposes of a fertilizer or soil and plant amendment so that the product becomes hazardous waste is subject to the penalties in section 115.071.

Sec. 46. Minnesota Statutes 1988, section 17.7285, is amended to read:

17.7285 [INCIDENTS.]

The commissioner may apply appropriate, efficient procedures to contain and control fertilizers and soil and plant amendments involved in an emergency incident likely to cause unreasonable adverse effects on the environment. For purposes of this section "incident" includes a flood, fire, tornado, or motor vehicle accident, which unintentionally releases fertilizers and soil and plant amendments on the environment. Persons involved in or responsible for an incident shall report the incident to the commissioner immediately upon discovering the incident. The department of agriculture shall be the lead government agency for decisions involving the emergency.

Sec. 47. [17.7286] [FERTILIZER RELEASE INCIDENTS.]

Subdivision 1. [CORRECTIVE ACTION ORDERS.] A responsible party or an owner of real property must, upon discovering that an incident has occurred, immediately report that incident to the commissioner. The responsible party must submit a written report of the incident to the commissioner containing the information requested by the commissioner within the time specified by the commissioner. After determining an incident has occurred, the commissioner may order the responsible party to take reasonable and necessary corrective actions. The commissioner shall notify the owner of real property where corrective action is ordered that access

to the property will be required for the responsible party or the commissioner to take corrective action. A political subdivision may not request or order any person to take an action that conflicts with the corrective action ordered by the commissioner. The attorney general may bring an action to compel corrective action.

Subd. 2. [COMMISSIONER AND COMPELLED PERFORMANCE CORRECTIVE ACTIONS.] The commissioner may take corrective action if:

(1) a responsible party cannot be identified; or

(2) an identified responsible party cannot or will not comply with an order issued under subdivision 1.

Subd. 3. [EMERGENCY CORRECTIVE ACTION.] To assure an adequate response to an incident, the commissioner may take corrective action without following the procedures of subdivision 1 if the commissioner determines that the incident constitutes a clear and immediate danger requiring immediate action to prevent, minimize, or mitigate damage to the public health and welfare or the environment. Before taking an action under this subdivision, the commissioner shall make all reasonable efforts, taking into consideration the urgency of the situation, to order a responsible party to take a corrective action and notify the owner of real property where the corrective action is to be taken.

Subd. 4. [LEAD AGENCY.] The department of agriculture is the lead state agency in taking corrective action for incidents.

Subd. 5. [CONTINGENCY PLAN.] Persons storing bulk fertilizers or soil and plant amendment products must develop and maintain a contingency plan that describes the storage, handling, disposal, and incident handling practices. The plan must be kept at a principal business site or location within this state and must be submitted to the commissioner upon request. The plan must be available for inspection by the commissioner.

#### Sec. 48. [17.7287] [RESPONSIBILITY FOR COSTS.]

Subdivision 1. [RESPONSIBLE PARTY.] (a) A responsible party is liable for the costs, including administrative costs, for corrective action under section 48. The commissioner may issue an order for recovery of corrective action costs. The cleanup costs and other expenses must be paid after a corrective order is issued.

(b) A responsible party is also liable for the costs of any destruction to wildlife. Payments of these costs must be deposited in the game and fish fund in the state treasury.

Subd. 2. [AVOIDANCE OF LIABILITY.] (a) A responsible party may not avoid liability by a conveyance of any right, title, or interest in real property or by any indemnification, hold harmless agreement, or similar agreement.

(b) This subdivision does not:

(1) prohibit a person who may be liable from entering an agreement by which the person is insured, held harmless, or indemnified for part or all of the liability;

(2) prohibit the enforcement of an insurance, hold harmless, or indemnification agreement; or

(3) bar a cause of action brought by a person who may be liable or by an insurer or guarantor, whether by right of subrogation or otherwise.

Subd. 3. [OWNER OF REAL PROPERTY.] An owner of real property is not a responsible party for an incident on the property unless that person:

(1) was engaged in manufacturing, making, transporting, storing, handling, applying, distributing, or disposing of a fertilizer on the property;

(2) knowingly permitted any person to make regular use of the property for disposal of fertilizers; or

(3) violated this chapter in a way that contributed to the incident.

Subd. 4. [DEFENSE.] As a defense to a penalty or liability for damages, a person may prove that the violation was caused solely by an act of God, an act of war, or an act or failure to act that constitutes sabotage or vandalism, or any combination of these defenses.

#### Sec. 49. [17.7288] [APPORTIONMENT AND CONTRIBUTION.]

Subdivision 1. [RIGHT OF APPORTIONMENT; FACTORS.] A person held liable under this chapter has the right to have the trier of fact apportion liability among the parties as provided in this section. The burden is on each responsible party to show how that responsible party's liability should be apportioned. The trier of fact shall reduce the amount of damages in proportion to any amount of liability apportioned to the party recovering.

In apportioning the liability of a party under this section, the trier of fact shall consider the following:

- (1) the extent to which that party contributed to the incident;
- (2) the amount of fertilizer, soil amendment, or plant amendment involved;
- (3) the degree of toxicity of the fertilizer, soil amendment, or plant amendment involved;
- (4) the degree of involvement of and care exercised by the party in manufacturing, blending, handling, storing, distributing, transporting, applying, and disposing of the fertilizer, soil amendment, or plant amendment;
- (5) the degree of cooperation by the party with federal, state, or local officials to prevent any harm to the public health or the environment; and
- (6) knowledge by the party of the hazardous nature of the fertilizer, soil amendment, or plant amendment.

Subd. 2. [CONTRIBUTION.] If a person is held liable under this chapter and establishes a proportionate share of the aggregate liability, section 604.02, subdivisions 1 and 2, apply with respect to contribution and reallocation of any uncollectible amounts, except that an administrative law judge may also perform the functions of a court identified in section 604.02, subdivision 2.

Sec. 50. Minnesota Statutes 1988, section 17.73, subdivision 5, is amended to read:

Subd. 5. [CERTIFICATION FEES.] (a) A laboratory applying for certification shall pay an application fee of \$100 and a certification fee of \$100 before the certification is issued.

(b) Certification is valid for one year and the renewal fee is \$100. The commissioner shall charge an additional application fee of \$100 if a certified laboratory allows certification to lapse before applying for renewed certification.

(c) The commissioner shall notify a certified lab that its certification lapses within 30 to 60 days of the date when the certification lapses.

(d) Fees collected under this subdivision must be deposited in the state treasury and credited to the laboratory services account. The money in the account is annually appropriated to the commissioner to administer this section.

Sec. 51. Minnesota Statutes 1988, section 43A.08, subdivision 1, is amended to read:

Subdivision 1. [UNCLASSIFIED POSITIONS.] Unclassified positions are held by employees who are:

- (a) chosen by election or appointed to fill an elective office;
- (b) heads of agencies required by law to be appointed by the governor or other elective officers, and the executive or administrative heads of departments, bureaus, divisions, and institutions specifically established by law in the unclassified service;
- (c) deputy and assistant agency heads and one confidential secretary in the agencies listed in subdivision 1a;
- (d) the confidential secretary to each of the elective officers of this state and, for the secretary of state, state auditor, and state treasurer, an additional deputy, clerk, or employee;
- (e) intermittent help employed by the commissioner of public safety to assist in the issuance of vehicle licenses;
- (f) employees in the offices of the governor and of the lieutenant governor and one confidential employee for the governor in the office of the adjutant general;
- (g) employees of the Washington, D.C., office of the state of Minnesota;
- (h) employees of the legislature and of legislative committees or commissions; provided that employees of the legislative audit commission, except for the legislative auditor, the deputy legislative auditors, and their confidential secretaries, shall be employees in the classified service;
- (i) presidents, vice-presidents, deans, other managers and professionals in academic and academic support programs, administrative or service faculty, teachers, research assistants, and student employees eligible under terms of the federal economic opportunity act work study program in the school and resource center for the arts, state universities and community colleges, but not the custodial, clerical, or maintenance employees, or any professional or managerial employee performing duties in connection with the business administration of these institutions;
- (j) officers and enlisted persons in the national guard;
- (k) attorneys, legal assistants, examiners, and three confidential employees appointed by the attorney general or employed with the attorney general's authorization;

(l) judges and all employees of the judicial branch, referees, receivers, jurors, and notaries public, except referees and adjusters employed by the department of labor and industry;

(m) members of the state patrol; provided that selection and appointment of state patrol troopers shall be made in accordance with applicable laws governing the classified service;

(n) chaplains employed by the state;

(o) examination monitors and intermittent training instructors employed by the departments of employee relations and commerce and by professional examining boards;

(p) student workers; and

(q) employees unclassified pursuant to other statutory authority; and

(r) intermittent employees employed by the department of agriculture to perform duties related to pesticide, fertilizer, and seed regulation.

Sec. 52. Minnesota Statutes 1988, section 604.02, subdivision 1, is amended to read:

Subdivision 1. When two or more persons are jointly liable, contributions to awards shall be in proportion to the percentage of fault attributable to each, except that each is jointly and severally liable for the whole award. Except in cases where liability arises under chapters 17 - fertilizer regulations, 18B - pesticide control, 115 - water pollution control, 115A - waste management, 115B - environmental response and liability, 115C - leaking underground storage tanks, and 299E - pipeline safety, public nuisance law for damage to the environment or the public health, any other environmental or public health law, or any environmental or public health ordinance or program of a municipality as defined in section 466.01, a person whose fault is 15 percent or less is liable for a percentage of the whole award no greater than four times the percentage of fault, including any amount reallocated to that person under subdivision 2.

If the state or a municipality as defined in section 466.01 is jointly liable, and its fault is less than 35 percent, it is jointly and severally liable for a percentage of the whole award no greater than twice the amount of fault, including any amount reallocated to the state or municipality under subdivision 2.

Sec. 53. [REPEALER.]

Minnesota Statutes 1988, sections 17.714, subdivisions 4, 4a, and 4b; 17.715, subdivision 3; 17.721; 17.726; 17.727; 17.728, subdivisions 4 and 5; 17.729; and 17.73, subdivision 5, paragraph (d), are repealed.

## ARTICLE 3

### PESTICIDE CONTROL

#### Section 1. [17.114] [SUSTAINABLE AGRICULTURE.]

Subdivision 1. [PURPOSE.] The purpose of this section is to assure the viability of Minnesota agriculture.

Subd. 2. [REPORT.] The commissioner of agriculture shall investigate, demonstrate, report on, and make recommendations on the current and future sustainability of Minnesota agriculture.

Subd. 3. [DEFINITIONS.] For purposes of this section, the following definitions apply:

(a) "Sustainable agriculture" represents the best aspects of traditional and modern agriculture by using a fundamental understanding of nature, as well as the latest scientific advances to create integrated, self-reliant, resource conserving practices that increase farm profitability, maintain or improve the quality of soil and water resources, and lessen dependency on nonrenewable resources, and thereby enhance the enrichment of the environment and provide short- and long-term productive agriculture.

(b) "Integrated pest management" means use of a combination of approaches, incorporating the judicious application of ecological principles, management techniques, cultural and biological controls, and chemical methods, to keeping pests below levels where they do economic damage.

Subd. 4. [DUTIES.] The commissioner shall:

(1) establish a task force of appropriate agencies and organizations to assist the department by:

(i) recommending indices or measures to assess the long-term sustainability of Minnesota agriculture;

(ii) assisting the commissioner in evaluating the identified trends;

(iii) identifying new innovations; and



(iv) suggesting state policies and programs that may be needed to assure the sustainability of Minnesota agriculture and related natural resources;

(2) establish a clearinghouse and provide information, appropriate educational opportunities, and other assistance to individuals, producers, and groups about sustainable agricultural techniques, practices, and opportunities;

(3) survey producers, support services, and organizations to determine information and research needs in the area of sustainable agricultural practices;

(4) demonstrate the applicability of sustainable agriculture practices to Minnesota conditions;

(5) coordinate the efforts of state agencies regarding activities relating to sustainable agriculture;

(6) direct the programs of the department so as to work toward the sustainability of Minnesota agriculture;

(7) inform agencies of how state or federal programs could utilize and support sustainable agriculture practices;

(8) work with farmers, the University of Minnesota, public post-secondary institutions, and other appropriate organizations to identify opportunities and needs as well as promote cooperation, assure coordination, and avoid duplication of efforts regarding research, teaching, and extension work relating to sustainable agriculture; and

(9) report to the legislature every odd-numbered year on at least the following:

(i) the presentation and analysis of findings regarding the current status and trends of the economic condition of producers, the status of soil and water resources utilized by production agriculture, the magnitude of off-farm inputs used and the amount of nonrenewable resources used by Minnesota farmers;

(ii) a description of current state or federal programs directed toward sustainable agriculture including significant results and experience of those programs;

(iii) a description of specific actions the department of agriculture is taking in the area of sustainable agriculture;

(iv) a description of current and future research needs at all levels in the area of sustainable agriculture; and

(v) suggestions for changes in existing programs or policies or enactment of new programs of policies that will affect farm profitability, maintain soil and water quality, reduce input costs, or lessen dependence upon nonrenewable resources.

Subd. 5. [INTEGRATED PEST MANAGEMENT.] The state shall promote and facilitate the use of integrated pest management through education, financial assistance, information and research.

Subd. 6. [INTEGRATED PEST MANAGEMENT APPROACH.] The commissioner shall coordinate the development of a state approach to the promotion and use of integrated pest management, which shall include delineation of the responsibilities of the state, public post-secondary institutions, Minnesota extension service, local units of government, and the private sector; establishment of information exchange and integration; procedures for identifying research needs and reviewing and preparing informational materials; procedures for factoring integrated pest management into state laws, rules, and uses of pesticides; and identification of barriers to adoption. The commission shall report to the governor and legislature by November 15, 1990 and on a biennial basis thereafter.

Subd. 7. [CONSULTANT CERTIFICATION.] The commissioner shall, in consultation with Minnesota extension service and the consultant community, develop recommendations for a mandatory state crop consultant certification program under chapter 326 and report its recommendations to the governor and legislature by November 15, 1990. The program shall include consideration of educational requirements, current professional certification programs, and certification subcategories based on the need for consultant specialization.

Subd. 8. [STATE USES OF PESTICIDES AND NUTRIENTS.] The state shall use integrated pest management techniques in its management of public lands, including roadside rights-of-way, parks and forests; and shall use planting regimes that minimize the need for pesticides and added nutrients.

Subd. 9. [USER INFORMATION SYSTEM.] The commissioner shall promote establishment of a pilot pesticide and nutrient user information system at the county level in cooperation with the board of water and soil resources, the United States Soil Conservation Service, and the Minnesota extension service, to ensure that accurate and consistent information is available at the local level on recommended application rates and possible environmental impacts.

Subd. 10. [COOPERATION OF OTHER AGENCIES.] Other agencies of state government and the University of Minnesota shall cooperate with the commissioner in the exercise of responsibilities under this section. The commissioner of agriculture shall consult

with the University of Minnesota and other agencies and organizations in carrying out duties under this section.

Sec. 2. Minnesota Statutes 1988, section 17.73, subdivision 3, is amended to read:

Subd. 3. [ANALYSES REPORTING STANDARDS.] (a) The results obtained from soil or plant analysis must be reported in accordance with standard reporting units established by the commissioner by rule. The standard reporting units must conform as far as practical to uniform standards that are adopted on a regional or national basis.

(b) If a certified laboratory offers a recommendation, the University of Minnesota recommendation or that of another land grant college in a contiguous state must be offered in addition to other recommendations, and the source of the recommendation must be identified on the recommendation form. If relative levels such as low, medium, or high are presented to classify the analytical results, the corresponding relative levels based on the analysis as designated by the University of Minnesota or the land grant college in a contiguous state must also be presented.

(c) Information on efficient and environmentally sound practices based on research studies shall be included with all soil test results.

Sec. 3. Minnesota Statutes 1988, section 18B.01, subdivision 5, is amended to read:

Subd. 5. [COMMERCIAL APPLICATOR.] "Commercial applicator" means a person who has or is required to have a commercial applicator license.

Sec. 4. Minnesota Statutes 1988, section 18B.01, is amended by adding a subdivision to read:

Subd. 6a. [CORRECTIVE ACTION.] "Corrective action" means action taken to minimize, eliminate, or clean up an incident.

Sec. 5. Minnesota Statutes 1988, section 18B.01, subdivision 12, is amended to read:

Subd. 12. [INCIDENT.] "Incident" means a flood, fire, tornado, transportation accident, storage container rupture, ~~portable container rupture~~, leak, spill, emission, discharge, escape, leach, disposal, or other event that releases or immediately threatens to release a pesticide accidentally or otherwise into the environment, and may cause unreasonable adverse effects on the environment. "Incident" does not include the lawful use or intentional release of a

pesticide in accordance with its approved label or labeling or a discharge or other release authorized by law.

Sec. 6. Minnesota Statutes 1988, section 18B.01, subdivision 15, is amended to read:

Subd. 15. [NONCOMMERCIAL APPLICATOR.] "Noncommercial applicator" means a person ~~with~~ who has or is required to have a noncommercial applicator license.

Sec. 7. Minnesota Statutes 1988, section 18B.01, is amended by adding a subdivision to read:

Subd. 15a. [OWNER OF REAL PROPERTY.] "Owner of real property" means a person who is in possession of, has the right of control, or controls the use of real property, including without limitation a person who may be a fee owner, lessee, renter, tenant, lessor, contract for deed vendee, licensor, licensee, or occupant.

Sec. 8. Minnesota Statutes 1988, section 18B.01, subdivision 19, is amended to read:

Subd. 19. [PESTICIDE DEALER.] "Pesticide dealer" means a person ~~with~~ who has or is required to have a pesticide dealer license.

Sec. 9. Minnesota Statutes 1988, section 18B.01, subdivision 21, is amended to read:

Subd. 21. [PRIVATE APPLICATOR.] "Private applicator" means a person certified to use ~~or supervise use of~~ restricted use pesticides.

Sec. 10. Minnesota Statutes 1988, section 18B.01, subdivision 23, is amended to read:

Subd. 23. [RESPONSIBLE PARTY.] "Responsible party" means a person or persons who at the time of an incident has custody of, control of, or responsibility for a pesticide, pesticide container, or pesticide rinsate.

Sec. 11. Minnesota Statutes 1988, section 18B.01, subdivision 26, is amended to read:

Subd. 26. [SAFEGUARD.] "Safeguard" means a facility, equipment, device, or system, or a combination of these, as required by rule, designed to prevent the escape or movement of a pesticide from the place it is stored or kept under conditions that might otherwise result in contamination of the environment an incident.

Sec. 12. Minnesota Statutes 1988, section 18B.01, subdivision 30, is amended to read:

Subd. 30. [STRUCTURAL PEST CONTROL APPLICATOR.] "Structural pest control applicator" means a person ~~with~~ who has or is required to have a structural pest control license.

Sec. 13. Minnesota Statutes 1988, section 18B.04, is amended to read:

18B.04 [PESTICIDE IMPACT ON WATER QUALITY THE ENVIRONMENT.]

The commissioner shall:

(1) determine the impact of pesticides on the environment, including surface water and ground water in this the state;

(2) develop best management practices and water resources protection measures as defined in article 1, section 2, involving pesticide distribution, storage, handling, use, and disposal; and

(3) cooperate with and assist other state agencies and local governments to protect public health and the environment from harmful exposure to pesticides.

Sec. 14. Minnesota Statutes 1988, section 18B.07, subdivision 2, is amended to read:

Subd. 2. [PROHIBITED PESTICIDE USE.] (a) A person may not use, store, handle, distribute, or dispose of a pesticide, rinsate, pesticide container, or pesticide application equipment in a manner:

(1) that is inconsistent with a label or labeling;

(2) that endangers humans, damages agricultural products, food, livestock, fish, or wildlife, or beneficial insects; or

(3) that will cause unreasonable adverse effects on the environment.

(b) A person may not:

(1) direct a pesticide on onto property beyond the boundaries of the target site. A person may not apply a pesticide resulting in;

(2) apply a pesticide so as to cause damage to adjacent nearby property;

(c) A person may not directly;

(3) apply a pesticide on a human by overspray or target site spray;  
or

(d) A person may not

(4) apply a pesticide in a manner so as to expose a worker human  
in an immediately adjacent, open field area.

Sec. 15. Minnesota Statutes 1988, section 18B.07, subdivision 3, is amended to read:

Subd. 3. [POSTING.] (a) If the pesticide labels prescribe specific hourly or daily intervals for human reentry following application, the person applying the pesticide must post fields, buildings, or areas where the pesticide has been applied. The posting must be done with placards in accordance with label requirements and rules adopted under this section.

(b) Fields Sites being treated with pesticides through irrigation systems must be posted throughout the period of pesticide treatment. The posting must be done in accordance with labeling and rules adopted under this chapter.

Sec. 16. Minnesota Statutes 1988, section 18B.07, subdivision 4, is amended to read:

Subd. 4. [PESTICIDE SAFEGUARDS AT APPLICATION SITES.] A person may not allow a pesticide, rinsate, or unrinsed pesticide container to be stored, kept, or to remain in or on any site without safeguards adequate to prevent the escape or movement of the pesticides from the site an incident.

Sec. 17. Minnesota Statutes 1988, section 18B.07, subdivision 5, is amended to read:

Subd. 5. [USE OF PUBLIC WATER SUPPLIES FOR FILLING EQUIPMENT.] A person may not fill pesticide application equipment directly from a public water supply, as defined in section 144.382, unless the outlet from the public water supply is equipped with a backflow prevention device that complies with the Minnesota Plumbing Code under Minnesota Rules, parts 4715.2000 to 4715.2280. The person may not introduce pesticides into the application equipment until after filling the equipment from a public water supply.

Sec. 18. Minnesota Statutes 1988, section 18B.07, subdivision 7, is amended to read:

Subd. 7. [CLEANING EQUIPMENT IN OR NEAR SURFACE WATER.] (a) A person may not:

(1) clean pesticide application equipment in surface waters of the state; or

(2) fill or clean pesticide application equipment adjacent to surface waters, ditches, or wells where, because of the slope or other conditions, pesticides or materials contaminated with pesticides could enter or contaminate the surface waters, ground water, or wells, as a result of overflow, leakage, or other causes.

(b) This subdivision does not apply to permitted application of aquatic pesticides to public waters.

Sec. 19. Minnesota Statutes 1988, section 18B.08, subdivision 1, is amended to read:

Subdivision 1. [PERMIT REQUIRED.] (a) A person may not apply pesticides through an irrigation system without a chemigation permit from the commissioner. Only one chemigation permit is required for two one or more wells or other irrigation water sources that are protected from pesticide contamination by the same devices as required by rule. The commissioner may allow irrigation to be used to apply pesticides on crops and land, including agricultural, nursery, turf, golf course, and greenhouse sites.

(b) A person must apply for a chemigation permit on forms prescribed by the commissioner.

Sec. 20. Minnesota Statutes 1988, section 18B.08, subdivision 3, is amended to read:

Subd. 3. [EQUIPMENT.] A chemigation system must be fitted with effective antisiphon devices or check valves that prevent the backflow of pesticides or pesticide-water mixtures into water supplies or other materials during times of irrigation system failure or equipment shutdown. The devices or valves must be installed between:

(1) the irrigation system pump or water source discharge and the point of pesticide injection; and

(2) the point of pesticide injection and the pesticide supply.

Sec. 21. Minnesota Statutes 1988, section 18B.08, subdivision 4, is amended to read:

Subd. 4. [APPLICATION FEE.] A person initially applying for a chemigation permit must pay a nonrefundable application fee of \$50 for each well that is to be used in applying the pesticides by irrigation. A person who holds a valid fertilizer chemigation permit, as defined in chapter 17, is exempt from the fee in this section.

Sec. 22. Minnesota Statutes 1988, section 18B.15, is amended to read:

**18B.15 [PESTICIDE RELEASE INCIDENTS.]**

**Subdivision 1. [DUTIES OF RESPONSIBLE PARTY CORRECTIVE ACTION ORDERS.]** (a) A responsible party involved in an incident or an owner of real property must immediately, upon discovering that an incident has occurred, report the that incident to the department of agriculture and provide information as requested by the commissioner. The responsible party must pay for the costs and immediately take all action necessary to minimize or abate the release and to recover pesticides involved in the incident.

(b) The responsible party must submit a written report of the incident to the commissioner containing the information requested by the commissioner within the time specified by the commissioner and also submit a written report to the commissioner containing the information requested by the commissioner within the time specified by the commissioner. After determining that an incident has occurred, the commissioner may order the responsible party to take reasonable and necessary corrective actions. The commissioner shall notify the owner of real property where corrective action is ordered that access to the property will be required for the responsible party or the commissioner to take corrective action. A political subdivision may not request or order any person to take an action that conflicts with the corrective action ordered by the commissioner. The attorney general may bring an action to compel corrective action.

**Subd. 2. [COMMISSIONER'S COMMISSIONER AND COMPELLED PERFORMANCE CORRECTIVE ACTION.]** (a) If in the judgment of the commissioner the responsible party does not take immediate and sufficient action to abate the release of and to recover the pesticide, The commissioner may take corrective action necessary to mitigate or correct the conditions resulting from an incident. The responsible party must reimburse the commissioner for the costs incurred by the commissioner in the enforcement of this subdivision.

(b) The department of agriculture is the lead state agency for responding to and taking action with regard to pesticide incidents. if:

(1) a responsible party cannot be identified; or

(2) an identified responsible party cannot or will not comply with an order issued under subdivision 1.

**Subd. 3. [EMERGENCY CORRECTIVE ACTION.]** To assure an



adequate response to an incident, the commissioner may take corrective action without following the procedures of subdivision 1 if the commissioner determines that the incident constitutes a clear and immediate danger requiring immediate action to prevent, minimize, or mitigate damage to the public health and welfare or the environment. Before taking an action under this subdivision, the commissioner shall make all reasonable efforts, taking into consideration the urgency of the situation, to order a responsible party to take a corrective action and notify the owner of real property where the corrective action is to be taken.

Subd. 4. [LEAD AGENCY.] The department of agriculture is the lead state agency in taking corrective action for incidents.

Sec. 23. Minnesota Statutes 1988, section 18B.17, subdivision 2, is amended to read:

Subd. 2. [EDUCATION AND TRAINING AGREEMENTS.] For purposes of education and training only, the commissioner may enter into agreements or contracts with qualified public or private organizations that wish to offer training programs developed under this chapter. In addition, the commissioner may provide pesticide information and related educational materials to interested clientele and residents of Minnesota.

Sec. 24. Minnesota Statutes 1988, section 18B.18, is amended to read:

18B.18 [INSPECTION.]

Subdivision 1. [ACCESS AND ENTRY.] (a) The commissioner, and the commissioner's agents, upon issuance presentation of a notice of inspection official department credentials, must be granted access at reasonable times without delay to (1) sites where a restricted use pesticide is used; (2) (1) where a person manufactures, formulates, distributes, uses, disposes of, stores, or transports a pesticide in violation of provisions of this chapter; and (3) to all sites (2) which the commissioner reasonably believes are affected, or possibly affected, by the use of a pesticide, rinsate, pesticide container, or device in violation of a provision of this chapter.

(b) The commissioner and commissioner's agents may enter sites for:

(1) inspection of equipment for the manufacture, formulation, distribution, disposal, or application of pesticides and the premises on which the equipment is stored;

(2) sampling of sites actually or reportedly exposed to pesticides;

(3) inspection of storage, handling, distribution, use, or disposal areas of pesticides or pesticide containers;

(4) inspection or investigation of complaints of injury to humans, wildlife, domesticated animals, crops, or the environment;

(5) sampling of pesticides;

(6) observation of the use and application of a pesticide;

(7) inspection of records related to the manufacture, distribution, storage, handling, use, or disposal of pesticides; and

(8) investigating the source, nature, and extent of an incident, and the extent of the adverse effects on the environment; and

(9) other purposes necessary to implement this chapter.

Subd. 2. [NOTICE OF INSPECTION SAMPLES AND ANALYSES.] Before leaving the premises inspected, The commissioner shall provide the owner, operator, or agent in charge with a receipt describing the suspected violation and any samples obtained. The commissioner shall also split any samples obtained and provide these to the owner, operator, or agent in charge for independent analysis if so desired. 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 within 30 days of completion. If an analysis is not completed on the samples obtained, the commissioner shall notify the owner, operator, or agent in charge within 30 days of making this decision.

Subd. 3. [OBTAINING EVIDENCE.] In making inspections under this chapter, the commissioner may administer oaths, certify as to official acts, issue subpoenas to and take and cause to be taken depositions of witnesses, and compel the attendance of witnesses and production of papers, books, documents, records, and testimony. If a person fails to comply with a subpoena lawfully issued, or a witness refuses to produce evidence or testify to a matter regarding which the person may be lawfully interrogated, the district court shall, upon application of the commissioner, compel obedience proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued by the court or a refusal to testify in the court.

Subd. 4. [REQUEST FOR INSPECTION.] A person who believes that a violation of this chapter has occurred may request an inspection by giving notice to the commissioner of the violation. The notice must be in writing, set forth with reasonable particularity the grounds for the notice, and be signed by the person. If upon receipt of the notice the commissioner reasonably believes that a violation

occurred, the commissioner shall provide the party believed responsible with a copy of the request for investigation, excluding the name of the person who made the request, and notice of intent to investigate. The commissioner shall make a special inspection in accordance with this section as soon as practicable to determine if a violation occurred. An inspection conducted because of a complaint may cover an entire site and is not limited to that portion of the site specified in the notice. If the commissioner determines that there are no reasonable grounds to believe that a violation occurred, the commissioner shall notify the person in writing of that determination.

Subd. 5. [REFUSAL TO PERMIT ENTRY.] Upon the refusal or anticipated refusal, based on a refusal to permit entrance on a prior occasion, of an owner, operator, or agent in charge to permit entry under this chapter, the commissioner may apply for an order in the district court in the county in which a site is located to compel a person with authority to permit the commissioner to enter and inspect the site.

Subd. 6. [EXEMPTIONS FROM SUBPOENA AUTHORITY.] (a) Neither the commissioner nor any employee of the department, including those employees of other approved agencies providing services to the department, is subject to subpoena for purposes of inquiry into any inspection except in enforcement proceedings brought under this chapter.

(b) Once an inspection file is closed by the commissioner, the commissioner shall, upon request from any person, certify as official department records any information contained in a file which is public information.

Subd. 7. [COSTS OF INVESTIGATION.] In addition to any other penalties, the cost of reinspection and reinvestigation may be assessed by the commissioner if the person subject to a corrective action order or remedial action order does not comply with the order in a reasonable time as provided in the order.

## Sec. 25. [18B.191] [RESPONSIBILITY FOR COSTS.]

Subdivision 1. [RESPONSIBLE PARTY.] (a) A responsible party is liable for the costs including administrative costs for corrective action under section 16. The commissioner may issue an order for recovery of those costs.

(b) A responsible party is liable for the costs of any destruction of wildlife. Payments of these costs must be deposited in the game and fish fund in the state treasury.

Subd. 2. [AVOIDANCE OF LIABILITY.] (a) A responsible party

may not avoid liability by means of a conveyance of any right, title, or interest in real property or by any indemnification, hold harmless agreement, or similar agreement.

(b) This subdivision does not:

(1) prohibit a person who may be liable from entering an agreement by which the person is insured, held harmless, or indemnified for part or all of the liability;

(2) prohibit the enforcement of an insurance, hold harmless, or indemnification agreement; or

(3) bar a cause of action brought by a person who may be liable or by an insurer or guarantor, whether by right of subrogation or otherwise.

Subd. 3. [OWNER OF REAL PROPERTY.] An owner of real property is not a responsible party for an incident on the owner's property unless that owner:

(1) was engaged in manufacturing, formulating, transporting, storing, handling, applying, distributing, or disposing of a pesticide on the property;

(2) knowingly permitted a person to make regular use of the property for disposal of pesticides; or

(3) violated this chapter in a way that contributed to the incident.

Subd. 4. [DEFENSES.] As a defense to a penalty or liability for damages, a person may prove that the violation was caused solely by an act of God, an act of war, or an act or failure to act that constitutes sabotage or vandalism, or any combination of these defenses.

## Sec. 26. [18B.192] [APPORTIONMENT AND CONTRIBUTION.]

Subdivision 1. [RIGHT OF APPORTIONMENT; FACTORS.] A responsible party held liable under this chapter may have the trier of fact apportion liability among the responsible parties under this section. The burden is on each responsible party to show how that responsible party's liability should be apportioned. The trier of fact shall reduce the amount of damages in proportion to any amount of liability apportioned to the party recovering.

In apportioning the liability of a party under this section, the trier of fact shall consider the following:

(1) the extent to which that responsible party contributed to the incident;

(2) the amount of pesticide involved;

(3) the degree of toxicity of the pesticide involved;

(4) the degree of involvement of and care exercised by the responsible party in manufacturing, formulating, handling, storing, distributing, transporting, applying, and disposing of the pesticide;

(5) the degree of cooperation by the responsible party with federal, state, or local officials to prevent harm to the public health or the environment; and

(6) knowledge by the responsible party of the hazardous nature of the pesticide.

Subd. 2. [CONTRIBUTION.] If a responsible party is held liable under this chapter and establishes a proportionate share of the aggregate liability, the provisions of section 604.02, subdivisions 1 and 2, apply with respect to contribution and reallocation of any uncollectible amounts, except that an administrative law judge may also perform the functions of a court identified in section 604.02, subdivision 2.

#### Sec. 27. [18B.193] [ADMINISTRATIVE PENALTIES.]

Subdivision 1. [FACTORS.] In determining the size of the penalty, the commissioner shall give due consideration to the economic benefit gained by the person by allowing or committing the violation, the gravity of the violation in terms of actual or potential damage to the environment, and the violator's culpability, good faith, and history of violations.

Subd. 2. [DOLLAR LIMIT.] The commissioner may by administrative order assess penalties of up to \$5,000 for a violation of this chapter.

Subd. 3. [PAYMENT.] Penalties assessed under this chapter must be paid to the commissioner for deposit in the pesticide regulatory account. If a violator fails to pay a penalty which is part of a final order within 30 days, the commissioner may commence a civil action for double the assessed penalty and attorney fees and costs. A penalty may be recovered in a civil action in the name of the department brought in the district court of the county where the violation is alleged to have occurred or the district court where the commissioner has an office.

Subd. 4. [COMPLIANCE TIME.] The administrative penalty may

be assessed if the person subject to a corrective action order or remedial action order does not comply with the order in a reasonable time as provided in the order.

**Sec. 28. [18B.194] [LIABILITY FOR APPLICATION ACCORDING TO THE LABEL.]**

(a) Notwithstanding other provisions relating to liability for pesticide use, a pesticide end user or landowner is not liable for the cost of active cleanup or damages associated with or resulting from a pesticide in groundwater if the end user or landowner has applied or has had others apply the pesticide in compliance with the label or labeling of the pesticide and other state law and orders of the commissioner.

(b) It is a complete defense to liability that the end user or landowner has complied with the provisions in paragraph (a).

**Sec. 29. Minnesota Statutes 1988, section 18B.20, is amended by adding a subdivision to read:**

**Subd. 7. [EMPLOYER LIABILITY FOR EMPLOYEES.]** Structural pest control applicators, commercial applicators, noncommercial applicators, and pesticide dealers are civilly liable for violations of this chapter by their employees and agents.

**Sec. 30. [18B.205] [ADMINISTRATIVE COMPLIANCE.]**

**Subdivision 1. [CONTESTED ORDER.]** After being served with an order, a person has at least 45 days from receipt of the order within which to notify the commissioner in writing that the person intends to contest the order. If the person fails to properly notify the commissioner that the person intends to contest the order, the order is a final order of the agency and not subject to review by any court or agency.

**Subd. 2. [ADMINISTRATIVE REVIEW.]** (a) If a person notifies the commissioner that the person intends to contest an order issued under this chapter, the state office of administrative hearings shall conduct a hearing in accordance with the applicable provisions of chapter 14 for hearings. A hearing shall be conducted at a place designated by the commissioner, within the county where the violation occurred, or where the person contesting the order resides or has a principal place of business or any other place on which all the parties agree.

(b) Notwithstanding any provision of chapter 14, the final administrative law report shall be the final decision of the agency. Only an administrative law judge, under rules adopted by the office of

administrative hearings, may entertain an application for reconsideration of a final agency decision.

Subd. 3. [JUDICIAL REVIEW.] (a) The commissioner or any party aggrieved by a final agency decision may seek judicial review of a final agency decision under sections 14.63 to 14.69.

(b) Any additional evidence required by a reviewing court under section 14.67 shall be taken by an administrative law judge. Only an administrative law judge may change the agency decision or any findings contained in it. The administrative law judge shall file with the reviewing court the additional evidence, together with any modifications or new findings or decisions, as provided in section 14.67.

Subd. 4. [EXPENSES.] A prevailing party, including the commissioner, may recover the reasonable and necessary expenses in a contested case or an appeal from a contested case.

Sec. 31. Minnesota Statutes 1988, section 18B.21, is amended to read:

**18B.21 [ADMINISTRATIVE ACTION REMEDIES FOR VIOLATIONS.]**

Subdivision 1. [ADMINISTRATIVE REMEDIES.] The commissioner may seek to remedy violations of this chapter or the commissioner's orders by (1) a written warning, (2) an administrative meeting, (3) a cease and desist, stop-use, stop-sale, removal, administrative penalty, or other special order, or (4) a seizure, 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 registration, permit, license, or certification if a person violates a provision of this chapter or has a history, within the last three years, of violations of chapter 18A or 18B.

Subd. 3. [REMEDIAL ACTION ORDERS SERVICE OF ORDER OR NOTICE.] (a) If the commissioner has probable cause that a pesticide, pesticide container, rinsate, pesticide equipment, or device is being used, manufactured, distributed, stored, or disposed of in violation of a provision of this chapter, the commissioner may investigate and issue a written cease and desist, stop-sale, stop-use, or removal order or other remedial action to the owner, custodian, or other responsible party. If the owner, custodian, or other responsible party a person is not available for service of the an order, the commissioner may attach the order to the pesticide, pesticide container, rinsate, pesticide equipment, or device or facility and notify

the owner, custodian, other responsible party, or the registrant. The pesticide, pesticide container, rinsate, pesticide equipment, or device may not be sold, used, or removed until the violation has been corrected and the pesticide, pesticide container, rinsate, pesticide equipment, or device has been released in writing under conditions specified by the commissioner, or until the violation has been otherwise disposed of by an administrative law judge, or a court.

(b) If a violation of a provision of this chapter results in conditions that may have an unreasonable adverse effect on humans, domestic animals, wildlife, or the environment, the commissioner may, by order, require remedial action, including removal and proper disposal.

Sec. 32. Minnesota Statutes 1988, section 18B.26, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) A person may not use or distribute a pesticide in this state unless it is registered with the commissioner. Pesticide registrations expire on December 31 of each year and may be renewed on or before that date for the following calendar year.

(b) Registration is not required if a pesticide is shipped from one plant or warehouse to another plant or warehouse operated by the same person and used solely at the plant or warehouse as an ingredient in the formulation of a pesticide that is registered under this chapter.

(c) An unregistered pesticide that was previously registered with the commissioner may be used only with the written permission of the commissioner.

(d) Each pesticide with a unique EPA registration number or brand name must be registered with the commissioner.

Sec. 33. Minnesota Statutes 1988, section 18B.26, subdivision 5, is amended to read:

Subd. 5. [APPLICATION REVIEW AND REGISTRATION.] (a) The commissioner may not deny the registration of a pesticide because the commissioner determines the pesticide is not essential.

(b) The commissioner shall review each application and may approve, deny, or cancel the registration of any pesticide. The commissioner may impose state use or distribution restrictions on a pesticide as part of the registration to prevent unreasonable adverse effects on the environment.

(c) The commissioner must notify the applicant of the approval,



denial, cancellation, or state use or distribution restrictions within 30 days after, the application and fee are received.

(d) The applicant may request a hearing on any adverse action of the commissioner within 30 days after being notified by the commissioner.

Sec. 34. Minnesota Statutes 1988, section 18B.26, is amended by adding a subdivision to read:

Subd. 6. [WITHDRAWAL.] A person who intends to discontinue a pesticide registration must do one of the following to ensure complete withdrawal from distribution or further use of the pesticide:

(1) terminate a further distribution within the state and continue to register the pesticide annually for two successive years;

(2) initiate and complete a total recall of the pesticide from all distribution in the state within 60 days from the date of notification to the commissioner of intent to discontinue registration; or

(3) submit to the commissioner evidence adequate to document that no distribution of the registered pesticide has occurred in the state.

Sec. 35. [18B.281] [PESTICIDE EDUCATION AND TRAINING.]

Subdivision 1. [EDUCATION AND TRAINING.] The commissioner shall develop, in conjunction with the University of Minnesota extension service, unique and innovative educational and training programs addressing pesticide concerns including, but not limited to: (1) water quality protection; (2) endangered species; (3) pesticide residues in food and water; (4) worker protection; (5) chronic toxicity; (6) integrated pest management; and (7) pesticide disposal. Educational planning session committees must include representatives of industry and of the commissioner. Specific current regulatory concerns must be discussed and, where appropriate, incorporated into each training session. These training materials must be used as a parameter for all educational programs affected by any organization.

Subd. 2. [TRAINING MANUAL AND EXAMINATION DEVELOPMENT.] The commissioner, in conjunction with the University of Minnesota extension service, shall continually revise and update pesticide applicator training manuals and examinations. The manuals and examinations must be written to meet or exceed the minimum standards required by the United States Environmental Protection Agency and pertinent state-specific information. Questions in the examinations must be determined by the responsible agencies. Manuals and examinations must include pesticide man-

agement practices that discuss prevention of pesticide occurrence in groundwaters of the state.

Subd. 3. [PESTICIDE APPLICATOR EDUCATION AND EXAMINATION REVIEW BOARD.] The commissioner shall establish and chair a pesticide applicator education and examination review board. This board shall meet at least once a year before the initiation of pesticide educational planning programs. The purpose of this board is to discuss topics of current concern that can be incorporated into pesticide applicator training sessions and appropriate examinations. This board shall review and evaluate the various educational programs recently conducted and recommend options to increase overall effectiveness. Membership on this board must represent industry, private, nonprofit organizations, and other governmental agencies, including the University of Minnesota, the pollution control agency, and the departments of health, natural resources, and transportation.

Sec. 36. Minnesota Statutes 1988, section 18B.31, subdivision 3, is amended to read:

Subd. 3. [LICENSE.] A pesticide dealer license:

(1) expires on December 31 of each year unless it is suspended or revoked before that date; ~~and~~

(2) is not transferable to another person; or location; and

(3) must be prominently displayed to the public in the pesticide dealer's place of business.

Sec. 37. Minnesota Statutes 1988, section 18B.32, subdivision 2, is amended to read:

Subd. 2. [LICENSES.] (a) A structural pest control license:

(1) expires on December 31 of the year for which the license is issued; ~~and~~

(2) is not transferable; and

(3) must be prominently displayed to the public in the structural pest controller's place of business.

(b) The commissioner shall establish categories of master, journeyman, and fumigator for a person to be licensed under a structural pest control license.

Sec. 38. Minnesota Statutes 1988, section 18B.33, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) A person may not apply a pesticide for hire without a commercial applicator license for the appropriate use categories except a licensed structural pest control applicator.

(b) A person with a commercial applicator license may not apply pesticides on or into surface waters without an aquatic category endorsement on a commercial applicator license.

(c) A commercial applicator licensee must have a valid license identification card when applying pesticides for hire and must display it upon demand by an authorized representative of the commissioner or a law enforcement officer. The commissioner shall prescribe the information required on the license identification card.

Sec. 39. Minnesota Statutes 1988, section 18B.33, subdivision 3, is amended to read:

Subd. 3. [LICENSE.] A commercial applicator license:

(1) expires on December 31 of the year for which it is issued, unless suspended or revoked before that date; and

(2) is not transferable to another person; and

(3) must be prominently displayed to the public in the commercial applicator's place of business.

Sec. 40. Minnesota Statutes 1988, section 18B.33, subdivision 7, is amended to read:

Subd. 7. [APPLICATION FEES.] (a) A person initially applying for or renewing a commercial applicator license as a ~~business entity~~ must pay a nonrefundable application fee of \$50, ~~except a person who is an employee of a business entity that has a commercial applicator license and is applying for or renewing a commercial applicator license as an individual~~ the nonrefundable application fee is \$25.

(b) If a renewal application is not filed before March 1 of the year for which the license is to be issued, an additional penalty fee of \$10 must be paid before the commercial applicator license may be issued.

Sec. 41. Minnesota Statutes 1988, section 18B.34, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) Except for a licensed commercial applicator, certified private applicator, or licensed structural pest control applicator, a person, including a government employee, may not use a restricted use pesticide in performance of official

duties without having a noncommercial applicator license for an appropriate use category.

(b) ~~A person with~~ A licensed noncommercial applicator license may not apply pesticides into or on surface waters without an aquatic category endorsement on the license.

(c) A licensee must have a valid license identification card when applying pesticides and must display it upon demand by an authorized representative of the commissioner or a law enforcement officer. The license identification card must contain information required by the commissioner.

Sec. 42. Minnesota Statutes 1988, section 18B.34, subdivision 2, is amended to read:

Subd. 2. [LICENSE.] A noncommercial applicator license:

(1) expires on December 31 of the year for which it is issued unless suspended or revoked before that date; ~~and~~

(2) is not transferable; and

(3) must be prominently displayed to the public in the noncommercial applicator's place of business.

Sec. 43. Minnesota Statutes 1988, section 18B.34, subdivision 5, is amended to read:

Subd. 5. [FEES.] (a) A person initially applying for or renewing a noncommercial applicator license as a business entity must pay a nonrefundable application fee of \$50. ~~A person who is an employee of a business entity that has a noncommercial applicator license and is applying for or renewing a noncommercial applicator license as an individual must pay a nonrefundable application fee of \$25,~~ except an applicant who is a government employee who uses pesticides in the course of performing official duties must pay a nonrefundable application fee of \$10.

(b) If an application for renewal of a noncommercial license is not filed before March 1 in the year for which the license is to be issued, an additional penalty fee of \$10 must be paid before the renewal license may be issued.

Sec. 44. Minnesota Statutes 1988, section 18B.36, is amended to read:

18B.36 [PRIVATE APPLICATOR CERTIFICATION.]

Subdivision 1. [REQUIREMENT.] (a) Except for a licensed commercial or noncommercial applicator, only a person certified as a private applicator may use or supervise the use of a restricted use pesticide to produce an agricultural commodity:

(1) as a traditional exchange of services without financial compensation; or

(2) on a site owned, rented, or managed by the person or the person's employees.

(b) A private applicator may not purchase a restricted use pesticide without presenting a private applicator card or the card number.

Subd. 2. [CERTIFICATION.] (a) The commissioner shall prescribe certification requirements and provide training that meets or exceeds EPA standards to certify persons as private applicators and provide information relating to changing technology to help ensure a continuing level of competency and ability to use pesticides properly and safely. The training may be done through cooperation with other government agencies and must be a minimum of three hours in duration.

(b) A person must apply to the commissioner for certification as a private applicator. After completing the certification requirements, which must include an examination as determined by the commissioner, an applicant must be certified as a private applicator to use restricted use pesticides. The certification is for a period of ~~five~~ three years from the applicant's nearest birthday.

(c) The commissioner shall issue a private applicator card to a private applicator.

Subd. 3. [FEES.] (a) A person applying to be certified as a private applicator must pay a nonrefundable \$10 application fee for the certification period.

(b) A \$5 fee must be paid for the issuance of a duplicate private applicator card.

Sec. 45. Minnesota Statutes 1988, section 18B.37, subdivision 1, is amended to read:

Subdivision 1. [PESTICIDE DEALER.] (a) A pesticide dealer must maintain records of all sales of restricted use pesticides as required by the commissioner. Records must be kept at the time of the sale on forms supplied by the commissioner or on the pesticide dealer's forms if they those forms are approved by the commissioner.

(b) Records must be submitted annually with the renewal application for a pesticide dealer license or upon request of the commissioner.

(c) Copies of records required under this subdivision must be maintained by the pesticide dealer for a period of five years after the date of the pesticide sale.

Sec. 46. Minnesota Statutes 1988, section 18B.37, subdivision 2, is amended to read:

Subd. 2. [COMMERCIAL AND NONCOMMERCIAL APPLICATORS.] (a) A commercial ~~or noncommercial~~ applicator, or the applicator's authorized agent, ~~must~~ shall maintain a record of pesticides used on each site. A noncommercial applicator, or the applicator's authorized agent, shall maintain a record of restricted use pesticides used on each site. The record must include the:

- (1) date of the pesticide use;
- (2) time the pesticide application was completed;
- (3) brand name of the pesticide, EPA registration number, and dosage used;
- (4) number of units treated;
- (5) temperature, wind speed, and wind direction;
- (6) location of the site where the pesticide was applied;
- (7) name and address of the customer;
- (8) name and signature of the applicator, company name, license number of the applicator, and address, and signature of the applicator or company; and
- (9) any other information required by the commissioner.

(b) Portions of records not relevant to a specific type of application may be omitted upon approval from the commissioner.

(c) All information for this record requirement must be contained in a single page document for each pesticide application, except a map may be attached to identify treated areas. For the rights-of-way and wood preservative categories, the required record may not exceed five pages. Invoices An invoice containing the required information may constitute the required record.

(d) A commercial applicator must give a copy of the record to the customer when the application is completed.

(e) Records must be retained by the applicator, company, or authorized agent for five years after the date of treatment.

Sec. 47. Minnesota Statutes 1988, section 18B.37, subdivision 3, is amended to read:

Subd. 3. [STRUCTURAL PEST CONTROL APPLICATORS.] (a) A structural pest control applicator must maintain a record of each structural pest control application conducted by that person or by the person's employees. The record must include the:

(1) date of structural pest control application;

(2) target pest;

(3) brand name of the pesticide, EPA registration number, and amount of pesticide used;

(4) for fumigation, the temperature and exposure time;

(5) time the pesticide application was completed;

(6) name and address of the customer;

(6) (7) structural pest control applicator's company name and address, applicator's signature, and license number; and

(7) (8) any other information required by the commissioner.

(b) Invoices All information for this record requirement must be contained in a single page document for each pesticide application. An invoice containing the required information may constitute the record.

(c) Records must be retained for five years after the date of treatment.

(d) A copy of the record must be given to a person who ordered the application that is present at the site where the structural pest control application is conducted, placed in a conspicuous location at the site where the structural pest control application is conducted immediately after the application of the pesticides, or delivered to the person who ordered an application or the owner of the site.

Sec. 48. Minnesota Statutes 1988, section 18B.37, subdivision 4, is amended to read:

Subd. 4. [STORAGE, HANDLING, AND DISPOSAL PLAN.] A commercial, noncommercial, or structural pest control applicator or the licensed business that the applicator is employed by must develop and maintain a plan that describes its pesticide storage, handling, and disposal practices. The plan must be kept at a principal business site or location within this state and must be submitted to the commissioner upon request on forms provided by the commissioner. The plan must be available for inspection by the commissioner.

Sec. 49. [18B.41] [PESTICIDE MANAGEMENT PLAN.]

Subdivision 1. [PLAN SPECIFICATIONS.] The commissioner shall develop a pesticide management plan for the prevention, evaluation, and mitigation of occurrences of pesticides or pesticide breakdown products in groundwaters and surface waters of the state. The pesticide management plan must include components promoting prevention, developing appropriate responses to the detection of pesticides or pesticide breakdown products in groundwater and surface waters, and providing responses to reduce or eliminate continued pesticide movement to groundwater and surface water as outlined in subdivisions 3 to 8.

The pesticide management plan shall be coordinated and developed with other state agency plans and with other state agencies through the environmental quality board. In addition, the University of Minnesota extension service, farm organizations, farmers, environmental organizations, and industry shall be involved in the pesticide management plan development.

Subd. 2. [DEFINITIONS.] The definitions in this subdivision apply to this section.

(a) "Pesticide" means a pesticide active ingredient as defined in section 18B.01, subdivision 18, or the breakdown product or metabolite of the pesticide active ingredient.

(b) "Specific management plan" means a plan applied to a pesticide and may be specific to a pesticide-sensitive groundwater protection area that incorporates voluntary chemical and nonchemical activities, procedures, and practices or pesticide use restrictions established by the department of agriculture in consultation with the University of Minnesota agricultural extension service due to determination of common detection of a pesticide in groundwater.

(c) "Nonpoint source" means the presence of a pesticide in groundwater or surface water from normal registered use of a pesticide.

(d) "Pesticide-sensitive groundwater protection areas" means a geographically definable area with characteristics of susceptibility



to pesticide migration to groundwater and containing criteria as stipulated in article 1, section 5, subdivision 2.

(e) "Best management practices" means practices as defined in article 1, section 2, subdivision 2.

(f) "Water resources protection measures" has the meaning given it in article 1, section 2, subdivision 5.

(g) "Monitoring" means a program designed for the collection of data, through a network of groundwater quality sampling stations or surface water sampling points, for scientific inquiry and statistically significant analysis.

Subd. 3. [PESTICIDE-SENSITIVE GROUNDWATER PROTECTION AREAS.] The commissioner shall designate pesticide-sensitive groundwater protection areas based on criteria established in article 1, section 7, subdivision 2, and may involve cooperation with the department of natural resources, the pollution control agency, the University of Minnesota, and other pertinent local, state, or federal agencies. Pesticide-sensitive groundwater protection areas must be based on factors associated with susceptibility of groundwater to the leaching or direct movement of pesticides to the groundwater.

Upon designation of pesticide-sensitive groundwater protection areas the commissioner shall conduct an assessment of the likelihood of certain pesticides to migrate to groundwater. Determination of pesticide mobility must be based on the best currently available data and may involve pesticide registrants data and state and federal data bases. Mobile pesticide determination must include pesticide use, physiochemical properties, and previous groundwater detection information.

The commissioner shall increase regulatory efforts in pesticide-sensitive groundwater protection areas, provide additional and increased pesticide educational and training activities for prevention of movement of pesticides to water resources.

Subd. 4. [PESTICIDE USE INFORMATION.] The commissioner shall monitor urban and rural pesticide use on a biennial basis. Information shall be collected and automated consistent with article 6, section 7.

Subd. 5. [BEST MANAGEMENT PRACTICES.] The commissioner shall promote best management practices that minimize the potential for pesticide movement to water resources throughout the state. Within a pesticide-sensitive groundwater protection area the commissioner shall promote additional appropriate best management practices and may consult with representatives of farmers,

local and state agencies, the University of Minnesota, federal agencies, and the pesticide industry. The best management practices for agricultural and urban pesticide use must be practical and appropriate for implementation in the pesticide-sensitive groundwater protection areas. In addition to agronomic and horticultural best management practices, increased and expanded pesticide educational programs for counties with designated pesticide groundwater protection areas shall be provided in cooperation with the Minnesota extension service.

Subd. 6. [EVALUATION OF DETECTION.] The commissioner shall evaluate the detection of pesticides in groundwaters of the state to determine the probable source and possible courses of action. Evaluation of the detection of the presence of a pesticide may include, but is not limited to, the following items:

(1) the methods of sample collection, handling, and confirmation mechanisms;

(2) the adherence of the reporting laboratory to good laboratory practices;

(3) the adequacy of the quality control and quality assurance programs;

(4) the physiochemical properties of the pesticide and their relationship, if any, to the detection;

(5) the general climatological, geographical, and hydrogeological factors that may impact the detection of the pesticide;

(6) the relationship of the concentration detected to the health based standard;

(7) the information available of the construction of the well from which the sample was obtained;

(8) the information available on pesticide use in the area;

(9) other potential pesticide sources; and

(10) the adherence to label directions, including precautions on the pesticide product label.

If conditions indicate a likelihood that the detection of the pesticide to be a result of normal registered use, the commissioner shall evaluate the need for increased promotion of best management practices and water resources protection measures to mitigate potential nonpoint source impact. Monitoring and subsequent evaluation shall occur on an as needed basis to determine if the pesticide

is commonly detected and the potential nonpoint impacts of the pesticide in similar conditions.

Subd. 7. [SPECIFIC PESTICIDE MANAGEMENT PLAN.] The commissioner shall develop a specific pesticide management plan for a pesticide if the pesticide has been determined to be commonly detected in groundwater as a result of normal registered use following evaluation by the commissioner. Each specific pesticide management plan must be designed to minimize movement to groundwater through a series of efforts such as increased educational activities, increased training and certification, and increased enforcement activities.

The commissioner shall develop and implement a focused groundwater monitoring and hydrogeologic evaluation following common pesticide detection to evaluate contamination frequency and concentration trend. Assessment of the site-specific and pesticide-specific conditions and the likelihood of common detection must include monitoring, pesticide use information, physical and chemical properties of the pesticide hydrogeologic information and review of information, and data from other local, state, or federal monitoring data bases.

The specific pesticide management plan must be developed following evaluation, increased monitoring efforts, and site-specific and pesticide-specific information. The specific management plan must include best management practices and water resources protection measures and pesticide use restrictions commensurate with applicable information obtained by the commissioner, the severity of the groundwater contamination and the trend assessment. The specific pesticide management plan must involve the registrant and be coordinated with the department of natural resources, the pollution control agency, the University of Minnesota agricultural extension service, the Minnesota environmental education board, the environmental quality board, the state planning agency, the department of health, the board of water and soil resources, and may include consultation with appropriate federal agencies, local governmental units, farm organizations, and the pesticide industry. The specific pesticide management plan shall be updated at no more than two-year intervals.

Subd. 8. [ACTIONS TO COMMON DETECTIONS WITH CONCENTRATIONS OR TRENDS GREATER THAN HEALTH LIMITS.] The commissioner shall impose additional use restrictions, or label modifications or cancel a pesticide use when:

(1) common detections of pesticides exceed previous or newly established limits as described in article 1, section 5 or, where applicable, state drinking water standards; or

(2) if trend analysis indicates that common detections will exceed

limits as described in article 1, section 5 or, where applicable, state drinking water standards notwithstanding implementation of best management practices and water resources protection measures or previous use restrictions.

Restrictions may include limitations on product purpose, rate, time of application, frequency of application, method of application, application to soil types or crops, or geographic area of application. Restrictions may be altered based on continued trend analysis of common pesticide detections.

Subd. 9. [RULES.] The commissioner shall adopt permanent rules necessary to implement this section. The rules must contain at a minimum:

(1) an education and information plan to promote pesticide best management practices and water resources protection measures in pesticide-sensitive groundwater protection areas;

(2) investigation and monitoring procedures to assess unusual pesticide detections in groundwater;

(3) procedures to implement best management practices and water resources protection measures, increased monitoring, and trend evaluation following the common detection of pesticides; and

(4) regulatory actions to be taken if trend analysis or common detections indicate exceedance of limits as described in article 1, section 5 or, where appropriate, state drinking water standards.

Sec. 50. [PESTICIDE CONTAINER COLLECTION AND RECYCLING PILOT PROJECT.]

Subdivision 1. [PESTICIDE; DEFINITION.] For the purposes of this section, "pesticide" means a substance or mixture of substances intended to prevent, destroy, repel, or mitigate a pest, and a substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant.

Subd. 2. [PROJECT.] The department of agriculture, in consultation and cooperation with the commissioner of the pollution control agency and the director of the Minnesota extension service, shall design and implement a pilot collection project, to be completed by June 30, 1991, to:

(1) collect, recycle, and dispose of empty, triple-rinsed pesticide containers;

(2) develop, demonstrate, and promote proper pesticide container management; and

(3) evaluate the current pesticide container management methods and the cause and extent of the problems associated with pesticide containers.

Subd. 3. [COLLECTION AND DISPOSAL.] The department of agriculture shall provide for the establishment and operation of temporary collection sites for pesticide containers. The department may limit the type and quantity of pesticide containers acceptable for collection.

Subd. 4. [INFORMATION AND EDUCATION.] The department shall develop informational and educational materials, in consultation and cooperation with the Minnesota extension service, to promote proper methods of pesticide container management.

Subd. 5. [REPORT.] During the pilot project, the department of agriculture shall conduct surveys and collect information on proper and improper pesticide container storage and disposal. By November 30, 1991, the department shall report to the legislature its conclusions from the project and recommendations for additional legislation or rules governing management of pesticide containers.

Subd. 6. [MANAGEMENT AND DISPOSAL.] The department of agriculture or other entity collecting pesticide containers must manage and dispose of the containers in compliance with applicable federal and state requirements.

Sec. 51. [REVISOR'S INSTRUCTION.]

In the next and subsequent editions of Minnesota Statutes, the sections in column A shall be renumbered as the sections in column B.

Column A

18A.49  
18B.08  
18B.15  
18B.18  
18B.20  
18B.21  
18B.22

Column B

18B.40  
18B.285  
18B.19  
18B.15  
18B.21  
18B.18  
18B.20

Cross-references to these sections within Minnesota Statutes must also be corrected.

Sec. 52. [COMPLEMENT ADJUSTMENT.]

The complement for the department of agriculture is reduced by four positions in the fertilizer and pesticide management programs for special revenue funds under articles 2 and 3 of this act.

## Sec. 53. [REPEALER.]

Minnesota Statutes 1988, sections 18B.16; 18B.19; 18B.20, subdivision 6, are repealed.

## ARTICLE 4

## WASTE PESTICIDE COLLECTION

## Section 1. [115.84] [DEFINITIONS.]

Subdivision 1. [COLLECTION SITE.] "Collection site" means a permanent or temporary designated location with scheduled hours for collection where pesticide end users may bring their waste pesticides.

Subd. 2. [LOCAL UNIT OF GOVERNMENT.] "Local unit of government" means a statutory or home rule charter city, town, county, soil and water conservation district, watershed district, any other special purpose district, and local or regional board.

Subd. 3. [PESTICIDE.] "Pesticide" means a substance or mixture of substances intended to prevent, destroy, repel, or mitigate a pest, and a substance, mixture, or substances intended for use as a plant regulator, defoliant, or desiccant.

Subd. 4. [PESTICIDE END USER.] "Pesticide end user" means a farmer or other person who owns a pesticide. Pesticide end user does not include the manufacturer, formulator, or packager.

Subd. 5. [WASTE PESTICIDE.] "Waste pesticide" means a pesticide that the pesticide end user considers a waste. A waste pesticide can be a canceled pesticide, an unusable pesticide, or a usable pesticide.

## Sec. 2. [115.84] [WASTE PESTICIDE COLLECTION PROGRAM.]

Subdivision 1. [COLLECTION AND DISPOSAL.] The agency may establish and operate a program to collect and dispose of waste pesticides. The program shall be made available to pesticide end users whose waste generating activity occurs in the state of Minnesota.

Subd. 2. [IMPLEMENTATION.] In conducting the program the agency will comply with all applicable federal and state laws. The agency may obtain a United States Environmental Protection Agency hazardous waste identification number to manage the waste pesticides collected. The agency may limit the type and quantity of

waste pesticides accepted for collection and may assess pesticide end users for portions of the costs incurred.

Subd. 3. [INFORMATION AND EDUCATION.] The agency may provide informational and educational materials in consultation and cooperation with the Minnesota extension service regarding waste pesticides and the proper management of waste pesticides to the public.

Subd. 4. [DEPARTMENT OF AGRICULTURE.] The agency shall develop the program in this section in consultation and cooperation with the commissioner of agriculture.

Subd. 5. [AUTHORITY.] The agency may adopt rules to administer this section.

Subd. 6. [COOPERATIVE AGREEMENTS.] The agency may enter into cooperative agreements with state and local units of government for administration of the collection program.

## ARTICLE 5

### WATER SUPPLY MONITORING AND PROTECTION

Section 1. Minnesota Statutes 1988, section 156A.01, is amended to read:

#### 156A.01 [LEGISLATIVE INTENT.]

It is The legislative intent and purpose in of sections 156A.01 to 156A.08 156A.09 is to reduce and minimize the waste of ground water groundwater resources within this state by reasonable legislation in licensing of drillers or makers of water wells and the regulation of exploratory borings in Minnesota and to. Sections 156A.01 to 156A.09 are also intended to protect the health and general welfare by providing a means for the development and protection of the natural resource of underground water in an orderly, sanitary and reasonable manner. In furtherance of the above intents and purposes, To carry out the intent of sections 156A.01 to 156A.09 and in recognition of the effects of that exploration and mining of metallic minerals have on ground water groundwater resources, the legislature finds that it is necessary to require submission to the state of factual data generated by exploratory borings to the state, for the purpose of controlling: (1) control possible adverse environmental effects of mining; to; (2) preserve the natural resources; and to; (3) encourage the planning of future land utilization; while at the same time promoting; (4) promote the orderly development of mining; the encouragement of; (5) encourage good mining practices; and the recognition (6) recognize and identification of identify the beneficial aspects of mining.

Sec. 2. Minnesota Statutes 1988, section 156A.02, is amended to read:

156A.02 [DEFINITIONS; EXCLUSIONS.]

Subdivision 1. For the purposes of sections 156A.01 to 156A.08 156A.09, the following terms have the meanings given them in this section.

Subd. 1a. [WATER WELL.] "Water well" means any excavation that is drilled, cored, bored, washed, driven, dug, jetted, or otherwise constructed when the intended use of the same excavation is intended for the location, diversion, artificial recharge, or acquisition extraction of groundwater; provided, however, that the term. Water well includes monitoring well as defined in subdivision 13. Water well does not include excavation by backhoe, or otherwise for temporary dewatering of groundwater for nonpotable use during construction, where the depth thereof of the excavation is 25 feet or less; nor shall does it include an excavation other than exploratory boring made for the purpose of obtaining to obtain or prospecting prospect for oil, natural gas, minerals, or products of mining or quarrying, or for the inserting excavation to insert media to repressure oil or natural gas bearing formations or for storing to store petroleum, natural gas, or other products; nor an excavation for nonpotable use for wildfire suppression activities.

Subd. 2. [WATER WELL CONTRACTOR OR CONTRACTOR.] For the purposes of sections 156A.01 to 156A.08, "Water well contractor" and "contractor" means any person, firm, copartnership partnership, association or corporation, who shall construct constructs, abandon, or repair repairs, or seals a water well or seals a water well upon land other than its own for compensation.

Subd. 2a. [WATER WELL DRILLING MACHINE.] "Water well drilling machine" means any machine or device such as a cable tool, rotary, hollow rod, or auger, used for construction, abandonment, or repair, or sealing of a water well or a hole excavated for an elevator or a hydraulic cylinder.

Subd. 3. Sections 156A.01 to 156A.08 shall not require licensing of (1) an individual who drills a water well on land which is owned or leased by the individual and is used by the individual for farming or agricultural purposes or as the individual's place of abode; or (2) to an individual who performs labor or services for a water well contractor in connection with the drilling, abandonment, or repair of a water well at the direction and at the personal supervision of a licensed water well contractor; provided, however, that the individual shall comply with all other provisions of sections 156A.01 to 156A.08 and with any rule or well code adopted thereunder.

Subd. 4. [EXPLORER.] For the purposes of sections 156A.01 to



156A.08 "Explorer" means a person who has the right to drill any exploratory boring.

Subd. 5. [EXPLORATORY BORING.] For the purposes of sections 156A.01 to 156A.08 "Exploratory boring" means any surface drilling done for the purpose of exploring to explore or prospecting prospect for oil, natural gas, and metallic minerals, including but not limited to the following: iron, copper, zinc, lead, gold, silver, titanium, vanadium, nickel, cadmium, molybdenum, chromium, manganese, cobalt, zirconium, beryllium, thorium, uranium, aluminum, platinum, palladium, radium, tantalum, tin, and niobium. "Exploratory boring" does not include drilling done in the Biwabik iron formation in relation to natural iron ore or activities regulated pursuant according to section 298.48.

Subd. 6. [GROUNDWATER THERMAL EXCHANGE DEVICE.] For the purposes of sections 156A.02 to 156A.10 "Groundwater thermal exchange device" means any heating or cooling device, the operation of which is dependent upon extraction and reinjection of groundwaters from an independent aquifer. Thermal exchange devices licensed under this chapter shall be sealed against the introduction of any foreign substance into the system, but shall be so constructed as to permit periodic inspection of water quality and temperature.

Subd. 7. [VERTICAL HEAT EXCHANGER.] For the purposes of sections 156A.02 to 156A.11 "Vertical heat exchanger" means any earth-coupled heating or cooling device consisting of a sealed piping system installed vertically in the ground for the purpose of transferring to transfer heat to or from the surrounding earth.

Subd. 8. [ELEVATOR SHAFT.] "Elevator shaft" means any bore hole, jack hole, drilled hole, or excavation constructed to install an elevator shaft or hydraulic cylinder for elevators.

Subd. 9. [ELEVATOR SHAFT CONTRACTOR.] "Elevator shaft contractor" means a person, firm, partnership, or corporation licensed by the commissioner to drill or excavate holes to install elevator shafts and hydraulic cylinders.

Subd. 10. [ENVIRONMENTAL BORE HOLE.] "Environmental bore hole" means a hole drilled, cored, bored, washed, driven, dug, or jetted in the ground used to monitor chemical, radiological or biological contaminants. An environmental bore hole does not include any other well, boring, or other excavation as defined in this chapter.

Subd. 11. [MONITORING WELL.] "Monitoring well" means any excavation that is drilled, cored, bored, washed, driven, dug, jetted, or otherwise constructed for the purpose of extracting groundwater for physical, chemical, or biological testing. Monitoring well in-

cludes water wells installed to measure groundwater levels or to test hydrologic properties in an area being investigated for potential or existing groundwater contamination.

Subd. 12. [MONITORING WELL CONTRACTOR.] "Monitoring well contractor" means a person who is registered by the department to construct monitoring wells and who is a professional engineer registered according to sections 326.02 to 326.15 in the branches of civil or geological engineering, or a geologist or hydrogeologist certified by the American Institute of Professional Geologists, the American Institute of Hydrologists, the National Water Well Association, or other organizations approved by the commissioner.

Subd. 13. [WELLHEAD PROTECTION AREA.] "Wellhead protection area" means the surface and subsurface area surrounding a water well or well field that supplies a public water system, through which contaminants are likely to move toward and reach the water well or well field.

Sec. 3. Minnesota Statutes 1988, section 156A.03, is amended to read:

#### 156A.03 [REGULATION AND LICENSING.]

Subdivision 1. [COMMISSIONER OF HEALTH REGULATES WATER WELL AND MONITORING WELL WORK AND EXCAVATION FOR ELEVATOR SHAFTS AND HYDRAULIC CYLINDERS.] The state commissioner of health shall regulate and license the: (1) drilling and, constructing, and repair of all water wells within this state; (2) sealing of unused wells; (3) installing of water well pumps and pumping equipment; (4) excavating or drilling holes for the installation of elevator shafts and hydraulic cylinders for elevators and sealing of holes excavated for the installation of elevator shafts and hydraulic cylinders for elevators; and (5) installing and sealing environmental bore holes. The commissioner of health shall examine and license water well contractors and, limited water well contractors, and elevator shaft contractors and shall examine and register monitoring well contractors. The commissioner of health shall establish standards for installing and sealing environmental bore holes. After consultation with the commissioner of natural resources and the pollution control agency, the commissioner shall establish standards for the design, location, construction, abandonment, and repair of water wells within this state. As provided in section 156A.071, the commissioner shall license explorers engaged in exploratory boring and shall examine individuals who supervise or oversee exploratory boring.

Subd. 2. [WATER WELL CONTRACTORS MUST BE LICENSED.] No ~~contractor~~ person shall drill, construct, ~~abandon~~, or repair a water well within this state unless in possession of a valid

license to do so issued annually by the state commissioner of health. An applicant who is otherwise qualified but who does not have practical field experience in the operation of conventional drilling machines such as a cable tool, rotary, hollow rod, or auger, but who does install unconventional wells such as drive point, or who is in the well repair service which involves modification to the well casing, screen, depth, or diameter below the upper termination of the well casing, shall have the license limited to such water well contracting work.

A person who desires to drill, construct, repair, or seal one or more wells in this state must apply to the commissioner of health for a water well contractor's license. In the application, the person must set out qualifications for the license, the equipment the person will use in the contracting, and other information required by the commissioner. The application must be on forms prescribed by the commissioner. The commissioner shall charge a fee of \$50 according to section 144.122 for the filing of the application by any person. The commissioner shall not act upon any application until the fee has been paid. When the commissioner has approved the application, the applicant shall take an examination given by the commissioner.

Subd. 2a. [LIMITED LICENSES REQUIRED FOR CERTAIN WORK.] (a) A limited water well contractor, as defined in section 156A.02, subdivision 12, may obtain a license limited to the following work:

- (1) modifying or repairing well casings, well screens, or well diameters;
- (2) constructing unconventional wells such as drive points or dug wells;
- (3) sealing wells; or
- (4) installing water well pumps or pumping equipment; or
- (5) excavating holes to install elevator shafts or hydraulic cylinders for elevators.

(b) No person shall perform the work described in this subdivision, within this state, unless the individual possesses a valid license issued annually by the commissioner of health. A person performing the work under this section must apply to the commissioner for a license. In the application, the person must set out qualifications for the license, the equipment the person will use in the contracting, and other information required by the commissioner. The application must be on forms prescribed by the commissioner. The commissioner shall charge a fee of \$50 for the filing of the application. The commissioner shall not act upon an application until the fee has

been paid. When the commissioner has approved the application, the applicant shall take an examination given by the commissioner.

Subd. 3. [MONITORING WELL CONTRACTORS MUST BE REGISTERED.] A professional engineer registered pursuant to the provisions of sections 326.02 to 326.15, in the branches of civil or geological engineering, shall not be required to be licensed as a water well contractor under the provisions of this section to drill test borings or to install piezometer wells for engineering purposes, or to construct groundwater quality sampling and monitoring wells as defined in rules promulgated by the commissioner. Test holes, piezometer wells installed for engineering purposes, and other wells described by this subdivision, shall be constructed, maintained and abandoned in accordance with this chapter and the rules promulgated thereunder.

Any A professional engineer or other certified professional engaged in the practice of constructing groundwater quality sampling and sealing monitoring wells as described in this subdivision section 156A.02, subdivision 11, and environmental bore holes as described in section 156A.02, subdivision 10, shall register with the commissioner on forms provided by the commissioner. A monitoring well contractor shall not be required to be licensed as a water well contractor.

After December 31, 1990, a person seeking initial registration as a monitoring well contractor under this subdivision must meet examination and experience requirements that the commissioner establishes in rule.

Subd. 4. [EXEMPTIONS FROM LICENSING REQUIREMENTS.] (a) Sections 156A.01 to 156A.09 do not require licensing of (1) an individual who drills a water well on land that is owned or leased by the individual and is used by the individual for farming or agricultural purposes or as the individual's place of abode, or (2) an individual who performs labor or services for a water well contractor in connection with the drilling, repair, or sealing of a water well at the direction and at the personal supervision of a licensed water well contractor. An individual exempt under this subdivision must comply with sections 156A.01 to 156A.09 and with any rule adopted under those sections.

(b) Test holes, piezometer wells installed for engineering purposes, and other wells described by this subdivision, shall be constructed, maintained, and sealed according to sections 156A.01 to 156A.09, and the rules adopted under those sections.

Subd. 5. [BONDING REQUIREMENTS.] As a condition of licensing water well contractors, limited water well contractors or registering monitoring well contractors under this section, a person seeking a license or registration shall give a \$10,000 bond to the state. The bond shall be conditioned upon the faithful and lawful

performance of work contracted for or performed by the person in Minnesota. The bond shall be for the benefit of persons injured or suffering financial loss by reason of failure of the performance. The bond shall be in lieu of all other license bonds to any political subdivision of the state. The bond shall be written by a corporate surety licensed to do business in Minnesota.

Subd. 6. [LICENSE AND REGISTRATION FEE; ISSUANCE OF LICENSE OR REGISTRATION.] On successfully passing the examination for original license or registration required under subdivision 2 or 3, and showing evidence of bonding required in subdivision 5, the applicant shall submit to the commissioner a license fee of \$250 or a registration fee of \$50. Upon receiving the fee and bond information, the commissioner may issue a license or registration.

Subd. 7. [NONTRANSFERABILITY OF LICENSES AND REGISTRATION; RENEWAL PROCEDURES.] A license or registration issued under this section is not transferable. The person licensed or registered must submit to the commissioner an application to renew the license or registration on a date set by the commissioner. The renewal application must be accompanied by a fee set by the commissioner under section 144.122. The application must also include documentation that the person has met requirements for continuing education that the commissioner establishes by rule. The person must also pay a penalty fee set by the commissioner under section 144.122 if the person submits the renewal application after the required renewal date. If a person submits a renewal application after the required renewal date, the person shall not perform the work for which the person was licensed or registered from the renewal date until the date the person submits an application, fee, and penalty fee.

Subd. 8. [REGISTRATION OF DRILLING MACHINES REQUIRED.] As part of the application for licensing or registration, or annual renewal of a license or registration, a person licensed or registered under this section must pay an annual fee of \$5 for the registration with the commissioner of each drilling machine used to construct water wells and monitoring wells and to excavate holes for elevator shafts or hydraulic cylinders, and \$5 for the registration of each machine such as a pump hoist used to repair wells, seal wells, or install pumps.

Subd. 9. [FEES DEPOSITED WITH STATE TREASURER.] Fees collected for licenses or registration under this section shall be submitted to the department for deposit in the general fund.

Subd. 10. [RECIPROCITY.] The commissioner may license or register, without giving an examination, a person who is licensed or registered in any state, territory, or possession of the United States, or any foreign country, if: (1) the requirements for licensing or registration under which the water well contractor was licensed or

registered do not conflict with sections 156A.01 to 156A.09; (2) the requirements are of a standard not lower than that specified by the rules adopted under sections 156A.01 to 156A.09; and (3) equal reciprocal privileges are granted to licensees of this state. A person who seeks a license or registration under this subdivision must apply for the license or registration and pay the fees required under this section.

Subd. 11. [POLITICAL SUBDIVISIONS CANNOT REQUIRE ADDITIONAL LICENSES OR REGISTRATION.] No political subdivision shall require a person licensed or registered under this section to pay a license or registration fee. However, a political subdivision shall be provided upon request with a list of licensed water well contractors, limited water well contractors, elevator shaft contractors, and monitoring well contractors.

Sec. 4. [156A.041] [REQUIREMENTS FOR WATER WELL AND MONITORING WELL CONSTRUCTION AND SEALING AND ELEVATOR SHAFT EXCAVATION AND SEALING.]

Subdivision 1. [WRITTEN CONTRACT REQUIRED.] A person licensed or registered under sections 156A.01 to 156A.09 shall not construct or seal a well or excavate or seal a hole for an elevator shaft or hydraulic cylinder until the well owner or owner of the property on which the water well or hole for the elevator shaft or hydraulic cylinder is located and the person signs a written contract that describes the nature of the work to be performed and the estimated cost of the work. A person may not construct a monitoring well until the owner of the property on which the well is located and the well owner sign a written contract that describes the nature of the work to be performed, the estimated cost of the work, and provisions for sealing the well.

Subd. 2. [WATER WELLS MUST BE IDENTIFIED.] When a water well has been constructed, the contractor shall attach to the well a label showing the unique well number, the depth of the well, the contractor's name, and the date the well was constructed.

Subd. 3. [NONCONFORMING MONITORING WELL.] Any monitoring well whose casing is completed less than 12 inches above grade, may only be constructed if there is no alternative location for constructing a well that ends at least 12 inches above grade. All these monitoring wells must be constructed and sealed in accordance with rules to be adopted by the commissioner.

Subd. 4. [DISTANCE REQUIREMENTS FOR SOURCES OF CONTAMINATION.] No person may place, construct, or install an actual or potential source of contamination any closer to a well than the isolation distances set in the Minnesota water well code adopted under section 156A.05 unless a variance has been issued by the

commissioner according to the procedures in the water well construction code.

Subd. 5. [REPORT OF WORK.] Within 30 days after completion or sealing of a well or completion of an excavation for or sealing of an elevator shaft or hydraulic cylinder, a person licensed or registered under this chapter or a person exempt under section 156A.03, subdivision 4, paragraph (a), clause (1), shall submit to the commissioner of health a verified report upon forms provided by the commissioner. The report must contain the following information: (1) the name and address of the owner of the well, elevator shaft or hydraulic cylinder shaft and the actual location of the well or elevator shaft or hydraulic cylinder shaft; (2) a log of the materials and water encountered in connection with drilling, and related pumping tests; and (3) other information the commissioner may require concerning the drilling or sealing of the well or hole for an elevator shaft or hydraulic cylinder. Within 30 days after receiving the report, the commissioner of health shall send one copy of the report to the commissioner of natural resources, the local soil and water conservation district within which the well or elevator shaft or hydraulic cylinder shaft is located, and one copy to the director of the Minnesota geological survey.

Sec. 5. [156A.042] [ENVIRONMENTAL BORE HOLES.]

Any environmental bore hole shall be constructed, sealed, and reported in accordance with rules to be adopted by the commissioner.

Sec. 6. [156A.043] [RIGHTS AND DUTIES OF OWNER OF PROPERTY ON WHICH A WATER WELL IS LOCATED.]

Subdivision 1. [DISCLOSURE OF WELLS TO BUYER.] Effective July 1, 1990, before signing an agreement to sell or transfer property, the seller or transferor shall disclose in writing to the buyer or transferee information about the status and the location of all wells on the property. In the disclosure, the seller or transferor must indicate, for each well, whether it is in use, not in use, or permanently sealed. At the time of sale, the same information must be provided on the certificate of value required pursuant to section 272.115, or on some other form prescribed by the commissioner. The well information shall be signed by the seller or transferor of the property or a person authorized to act on behalf of the seller. If a seller fails to provide the well information, a buyer or a person authorized to act on behalf of the seller, may sign the well information portion based on the information provided on the disclosure required by this section or based on other available information. The county recorder shall not record a deed, instrument, or writing for which a certificate of value is required under section 272.115, unless the well information required by this section has been provided. The owner shall retain a copy.

Subd. 2. [FAILURE TO DISCLOSE AT TIME OF SALE.] If a seller or transferor fails to disclose the existence of a well at the time of sale, and knew or had reason to know of the existence of a well, the seller or transferor is liable to the buyer for costs and damages related to the sealing of a well and reasonable attorney fees. The right of action must be exercised by the buyer or transferee within six years after the date the buyer purchased or transferee received the property on which the well is located.

Subd. 3. [WHO MUST SEAL WELLS.] To seal wells, the owner of property on which a well is located shall employ a licensed water well contractor or a contractor with a license to seal unused wells. The owner of property with monitoring wells, or holes for elevator shafts, or hydraulic cylinders for elevators shall employ a licensed water well contractor, a contractor with a license to seal unused wells, or a monitoring well contractor to seal monitoring wells no longer in use; and an elevator shaft contractor to seal holes no longer used for elevator shafts or shafts for hydraulic cylinders for elevators.

Subd. 4. [OWNER'S CAUSE OF ACTION.] The owner of the property on which a water well or a shaft for an elevator or hydraulic cylinder for an elevator is located has a cause of action for civil damages against a person whose action or inaction caused contamination of the well. The right of an owner to maintain a cause of action extends for a period of six years after the owner knows or becomes aware of the contamination of the well. The court may award damages, reasonable attorneys' fees, and costs and disbursements.

## Sec. 7. [156A.044] [PERMITS FOR GROUNDWATER THERMAL EXCHANGE DEVICES.]

Subdivision 1. [PERMIT REQUIRED.] Notwithstanding any department or agency rule to the contrary, the commissioner shall issue, upon request by the owner of the property and submission of a \$50 fee, permits for the reinjection of water by a properly constructed well into the same aquifer from which the water was drawn for the operation of a groundwater thermal exchange device.

Subd. 2. [PROCEDURES FOR GROUNDWATER EXCHANGE.] Withdrawal and reinjection shall be accomplished by a closed system in which the waters drawn for thermal exchange have no contact or commingling with water from other sources or with any polluting material or substances. The closed system must be constructed to allow opening for inspection by the commissioner. Wells that are part of a groundwater thermal exchange system shall serve no other function. However, water may be supplied to the domestic water system if the supply is taken off the thermal exchange system ahead of the heat exchange unit, and if the water discharges to a break tank through an air gap that is at least twice the effective



diameter of the water inlet to the tank. A groundwater thermal exchange system may be used for domestic water heating only if the water heating device is an integral part of the heat exchange unit that is used for space heating and cooling.

Subd. 3. [LIMITATIONS AND REQUIREMENTS FOR PERMITS.] As a condition of the permit issued under subdivision 1, an applicant shall agree to allow inspection by the commissioner of health during regular working hours for department inspectors. A maximum of 200 permits shall be issued for small systems having maximum capacities of 20 gallons per minute or less. The small systems shall be subject to inspection twice a year. A maximum of ten permits shall be issued for larger systems having maximum capacities from 20 to 50 gallons per minute. These larger systems shall be subject to inspection four times a year. The commissioner may adopt rules to administer this section.

Subd. 4. [REQUIREMENTS FOR WATER APPROPRIATION APPLY.] Water appropriation permit requirements and penalties provided in sections 105.41 to 105.416 and related rules adopted and enforced by the department of natural resources apply to groundwater thermal exchange permit recipients. A person issued a permit under subdivision 1 must comply with this section for the permit to be valid. Noncompliance subjects the person to sanctions for the noncomplying activity that are available to the department of health and pollution control agency.

Sec. 8. [156A.047] [VERTICAL HEAT EXCHANGER; LICENSING AND REGULATION.]

Subdivision 1. [LICENSE REQUIREMENTS.] No water well contractor shall drill or construct any excavation used to install a vertical heat exchanger unless the water well contractor has a valid water well contractor's license.

Subd. 2. [REGULATIONS FOR VERTICAL HEAT EXCHANGERS.] Vertical heat exchangers must be constructed, maintained, and sealed according to sections 156A.01 to 156A.09, and rules adopted under those sections.

Subd. 3. [PERMIT REQUIRED.] No water well contractor shall install a vertical heat exchanger without first obtaining a permit from the commissioner of health. The water well contractor must apply for the permit on forms provided by the commissioner and must pay a \$50 fee. As a condition of the permit, the owner of the property on which the vertical heat exchanger is to be installed shall agree to allow inspection by the commissioner, or an agent, during regular working hours of department of health inspectors.

Sec. 9. Minnesota Statutes 1988, section 156A.05, is amended to read:

156A.05 [POWERS AND DUTIES OF THE COMMISSIONER OF HEALTH.]

Subdivision 1. [POWERS OF COMMISSIONER.] The state commissioner of health ~~shall possess all~~ possesses the powers reasonable and necessary to exercise effectively the authority granted by sections 156A.01 to ~~156A.08~~ 156A.09.

Subd. 1a. [DUTIES.] The commissioner shall:

(1) regulate the drilling, construction, and sealing of water wells within this state;

(2) examine and license water well contractors, persons modifying or repairing well casings, well screens, or well diameters; constructing unconventional wells such as drive points or dug wells; sealing wells; installing water well pumps or pumping equipment; and excavating or drilling holes for the installation of elevator shafts or hydraulic cylinders for elevators; and sealing holes for elevator shafts and hydraulic cylinders for elevator shafts;

(3) register and examine monitoring well contractors;

(4) license explorers engaged in exploratory boring and examine individuals who supervise or oversee exploratory boring;

(5) after consultation with the commissioner of natural resources and the pollution control agency, establish standards for the design, location, construction, repair, and sealing of water wells and holes for elevator shafts or hydraulic cylinders within the state; and

(6) issue permits for construction and maintenance of groundwater thermal devices, vertical heat exchangers, and excavation for holes to install elevator shafts or hydraulic cylinders.

Subd. 2. [COMMISSIONER TO ADOPT RULES.] The commissioner of health shall by December 31, 1971, in the manner prescribed by chapter 15, hold a public hearing and promulgate adopt rules necessary under chapter 14 to carry out the purposes of sections 156A.01 to ~~156A.08~~ 156A.09 including, but not limited to:

(a) Issuance of licenses for qualified water well contractors, persons modifying or repairing well casings, well screens, or well diameters; constructing unconventional wells such as drive points or dug wells; sealing wells; installing water well pumps or pumping equipment and excavating holes for installing elevator shafts or hydraulic cylinders; and issuance of registration for monitoring well contractors.

(b) Establishment of conditions for examination and review of applications for license.

(c) Establishment of conditions for revocation and suspension of license.

(d) Establishment of minimum standards for design, location, construction, ~~abandonment, and~~ repair, and sealing of wells and holes dug to construct elevator shafts or hydraulic cylinders, to effectuate carry out the purpose and intent of sections 156A.01 to 156A.08 156A.09. The use of plastic water well casing is expressly permitted and the commissioner shall adopt appropriate construction procedures and material standards in rule.

(e) Establishment of a system for reporting on wells drilled and abandoned by licensed water well contractors sealed.

(f) Establishment of standards for the construction, maintenance, sealing, and water quality monitoring of wells in areas of known or suspected contamination.

(g) Establishment of wellhead protection measures for water wells serving public water supplies.

(h) Establishment of procedures for coordinating collection of well data with other state and local governmental agencies.

(i) Establishment of criteria and procedures for submission of reports, formation samples or cuttings, water samples, or other special information required for geologic and water resource mapping.

Subd. 3. [INSPECTIONS BY COMMISSIONER.] The state commissioner of health may inspect and have access at all reasonable times to any well site, including water wells drilled, abandoned sealed, or repaired or being drilled, abandoned, or repaired, and shall have access to same at all reasonable times. The commissioner may also collect water samples from the wells.

Subd. 4. [COMMISSIONER MAY ORDER REPAIRS AND SEALING OF WELLS.] The commissioner may order the owner of a well to take remedial measures, including making repairs, reconstructing or abandoning sealing the well in accordance with according to rules of the commissioner. The order may be issued if the commissioner determines, based upon inspection of the well and site or an analysis of water from the well, that any of the following conditions exist:

(1) the well is contaminated,

(2) the well has not been abandoned in accordance with sealed according to the rules of the commissioner,

(3) the well is in such a state of disrepair that its continued existence endangers the quality of the groundwater located, constructed, or maintained in such a manner that its continued use or existence endangers the quality of the groundwater or provides a health or safety hazard,

(4) the water well does not produce water because it is not equipped with an operable pump or the electrical supply has been disconnected from the well, or

(5) the well is located in such a place or constructed in such a manner that its continued use or existence endangers the quality of the groundwater the water well has construction failure that may include holes in the casing, collapsed holes, plugged screens, or pumps only sediment or sand.

The order may be enforced in an action to seek compliance brought by the commissioner in the district court of the county in which the well is located.

The owner has a cause of action for civil damages against any person whose action or inaction caused contamination of the well. The right of an owner to maintain a course of action as provided herein extends for a period of six years after the owner knows or becomes aware of the contamination of the well. The court shall award damages, reasonable attorneys' fees, and costs and disbursements.

Subd. 5. [COMMISSIONER MAY RECOVER COSTS.] Failure to comply with a commissioner's order to seal a water well may result in the commissioner entering into a contract to have the well sealed. Any expense incurred by the state in sealing a well pursuant to an order to seal shall constitute and be a lien in favor of the state against the land involved. The state may recover its costs by either of the following means:

(a) The amount of the expense shall be certified to the county auditor, who shall enter the expense upon the tax books, as a special assessment upon the land, to be collected in the same manner as other real estate taxes on the parcel for the next year.

(b) If the amount certified in paragraph (a) exceeds \$1,000, the state may allow the assessment to be collected in ten equal annual installments payable to the county treasurer with the taxes on the property next due. When collected by the county treasurer the amount shall be reimbursed to the state treasurer.

(c) The lien attaches to real property on which the well is located. The lien is perfected by filing a copy of the lien with the county recorder or registrar of deed where the well and property are located and serving or mailing by return receipt a copy of the lien to the property owner.

Subd. 6. [SATISFACTION OF LIEN.] The amount due of a lien under this section may be paid at any time. When the amount of the lien is paid, the commissioner must execute a satisfaction of the lien and record the satisfaction with the county recorder or registrar of deeds where the lien was filed.

Subd. 7. [APPROPRIATION OF RECOVERED COSTS.] Costs of sealing wells recovered from property owners shall be deposited in the state treasury and credited to the account from which the amounts were originally appropriated.

Sec. 10. Minnesota Statutes 1988, section 156A.06, is amended to read:

156A.06 [WATER WELL CONTRACTORS AND EXPLORATORY BORERS ADVISORY COUNCIL ON WATER WELLS AND EXPLORATORY BORING; MEMBERS; TERMS; EMPLOYEES.]

Subdivision 1. [ADVISORY COUNCIL ESTABLISHED.] There is hereby created (a) The advisory council on water well contractors and wells, exploratory borers advisory council, herein referred to as the borings, and elevator shaft excavations ("advisory council;") is established as an advisory council to the state commissioner of health. The advisory council shall be composed consist of 16 15 voting members. Of the 16 15 voting members;

(1) one member shall be from the state department of health, appointed by the state commissioner of health;

(2) one member shall be from the department of natural resources, appointed by the commissioner of natural resources;

(3) one member shall be a member of the Minnesota geological survey of the University of Minnesota appointed by the director; two members

(4) one member shall be engaged in the business of exploratory boring for minerals a licensed exploratory borer;

(5) one member shall be a licensed elevator shaft contractor;

(6) two members must be members of the public members who are

not connected with the business of exploratory boring or the water well drilling industry;

(7) one member shall be from the pollution control agency, appointed by the commissioner of the pollution control agency;

(8) one member shall be a professional engineer monitoring well contractor; ~~one member shall be a certified professional geologist;~~ and

(9) ~~six members shall be contractors must be residents of Minnesota appointed by the commissioner of health, who are actively engaged in the water well drilling industry, with not to exceed more than two from the seven county metropolitan area and at least four from the remainder rest of the state who shall be representative of represent different geographical regions.~~

(b) ~~They shall be residents of the state of Minnesota and appointed by the commissioner of health. No appointee of the water well drilling industry shall serve more than two consecutive terms. The appointees to the advisory council from the water well drilling industry shall must have been bona fide residents of this state for a period of at least three years prior to before appointment and shall. Members must have had at least five years experience in the water well drilling business. Expiration of the council shall expire, and the terms of the appointed members and the compensation and removal of all members shall be as provided in are governed by section 15.059.~~

Sec. 11. Minnesota Statutes 1988, section 156A.071, is amended to read:

156A.071 [EXPLORATORY BORING; LICENSING AND REGULATION PROCEDURES.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following words have the meanings given them:

(a) "Data" includes but is not limited to all samples and factual noninterpreted data obtained from exploratory borings and samples including analytical results;

(b) "Parcel" means a government section, fractional section, or government lot; and

(c) "Samples" means at least a one-quarter portion of all samples from exploratory borings that are customarily collected by the explorer.

Subd. 2. [LICENSING LICENSE REQUIRED.] An explorer en-

gaging in exploratory boring shall obtain a license to do so ~~in accordance with~~ according to the provisions of this chapter and the rules adopted ~~thereunder~~ under this chapter. The explorer may designate a responsible individual who supervises and oversees the making of exploratory borings. Before an individual supervises or oversees an exploratory boring, the individual shall take and pass an examination on those sections of the Minnesota Water Well Construction Code relating to construction, location, and abandonment sealing of wells, which apply to exploratory borings. A professional engineer registered pursuant according to sections 326.02 to 326.15, or a certified professional geologist shall is not be required to take the examination specified required in this section subdivision but shall be required to must be licensed in accordance with according to this section to engage in exploratory boring.

Subd. 3. [REGISTRATION.] At least 30 days ~~prior to before~~ commencing exploratory borings, an explorer shall register with the commissioner of natural resources and provide a copy of the registration to the commissioner of health. The registration shall include:

(a) The identity of the firm, association, or company engaged in exploratory boring; and

(b) The identification of an agent, including the agent's business address. The commissioner of natural resources may require a bond, security, or other assurance from an explorer if the commissioner of natural resources has reasonable doubts as ~~to about~~ the explorer's financial ability to comply with requirements of law relating to exploratory boring. An explorer shall register annually with the commissioner of natural resources while conducting exploratory boring.

Subd. 4. [INFORMATIONAL REQUIREMENTS.] At least ten days ~~prior to the commencement of before beginning~~ exploratory boring, ~~each an~~ explorer shall submit to the commissioner of natural resources a county road map having a scale of one-half inch equal to one mile, as prepared by the state department of transportation, indicating showing the location of each proposed exploratory boring to the nearest estimated 40 acre parcel. The explorer must submit a copy of this map shall be submitted to the commissioner of health.

Subd. 5. [ACCESS TO DRILL SITES.] The commissioner of health, the commissioner of natural resources, the commissioner of the pollution control agency, the agent of a board of community health board as authorized under section 145A.04, and their officers and employees shall have access to exploratory boring sites ~~for the purpose of inspecting to inspect~~ the drill holes, drilling, and abandonment sealing of exploratory borings, and ~~for the purpose of sampling to sample~~ ambient air and drilling waters, and ~~measuring to measure~~ the radioactivity of the waste drill cuttings at the drilling site at the time of on-site observation.

Subd. 6. [EMERGENCY NOTIFICATION.] The explorer shall promptly notify the commissioner of health, the commissioner of natural resources, the pollution control agency, and the authorized agent board of health of any occurrence during exploratory boring that has a potential for significant adverse health or environmental effects and. The explorer shall take such reasonable action as may be reasonably possible to minimize such the adverse effects. The commissioner of health may inspect data prior to before its submission as required by subdivision 8, if necessary, to accomplish the purposes of the laws relating to explorers and exploratory borings. The data examined by the commissioner of health shall be considered to be is not public data prior to the time for making any submissions of the data before it is submitted under subdivision 8 or 9.

Subd. 7. [PERMANENT AND TEMPORARY ABANDONMENT SEALING PROCEDURES.] Permanent and temporary abandonment sealing of exploratory borings shall be accomplished pursuant according to rules adopted in accordance with under this chapter.

Subd. 8. [ABANDONMENT SEALING REPORT.] Within 30 days of permanent or temporary abandonment sealing of an exploratory boring, the explorer shall submit on forms provided by the commissioner of health a report to the commissioner of health and the commissioner of natural resources a report to. The report must be on forms provided by the commissioner of health and must include:

- (a) The location of each drill hole at as large a scale as possible, which is normally prepared as part of the explorer's record;
- (b) The type and thickness of overburden and rock encountered;
- (c) Identification of water bearing formations encountered;
- (d) Identification of hydrologic conditions encountered;
- (e) Method of abandonment sealing used;
- (f) Methods of construction and drilling used;
- (g) Average scintillometer reading of waste drill cuttings prior to before backfilling of the recirculation pits.

Subd. 9. [SUBMISSION OF DATA FROM EXPLORATORY BORINGS.] Data obtained from exploratory borings shall be submitted by the explorer to the commissioner of natural resources as follows:

- (a) Upon application for a state permit required for activities relating to mineral deposit evaluation, the explorer shall submit to the commissioner of natural resources data relevant to the proposal



under consideration. The explorer may identify portions of the data ~~which~~ that, if released, would impair the competitive position of the explorer submitting the data. Data so identified shall be considered to be not public data. If requested to disclose the data, the commissioner shall mail notice of the request to the explorer and determine whether release of the data would impair the competitive position of the explorer submitting the data. If the commissioner determines that release of the data would impair the competitive position of the explorer submitting the data, the commissioner shall not release the data to any person other than parties to the proceedings relating to the permit under consideration. Parties to the proceedings shall maintain the confidentiality of data. Further, data ~~which~~ are classified as not public shall not be released by the commissioner until 30 days after mailed notice to the explorer of the commissioner's intention to do so. ~~Under no circumstances shall~~ The commissioner shall not release data to any person engaged in exploration, mining, milling, or related industry pertaining to any mineral. If the commissioner determines to release data, the explorer may demand a contested case hearing on the commissioner's determination or may withdraw the permit application and the data shall not be released. Any person aggrieved by the decision of the commissioner may appeal the decision ~~in accordance with~~ according to chapter 14.

(b) Upon application for a state permit required for mine development, the explorer shall submit to the commissioner of natural resources data relevant to the proposal under consideration. This data shall be considered public data and persons submitting the data shall not be subject to civil or criminal liability for its use by others.

(c) Within six months after termination by the explorer of its lease or any other type of exploration agreement on a property all data shall be submitted. The data shall be considered public data and persons submitting the data shall not be subject to civil or criminal liability for its use by others. Data submitted to the commissioner of natural resources ~~prior to before~~ May 1, 1980 need not be submitted under this section. The commissioner of natural resources shall designate which samples shall be submitted, and shall specify ~~the location to which~~ where the sample shall be delivered. ~~In the event that~~ If the explorer requires certain samples in their entirety, the commissioner of natural resources may waive the requirement for a one-fourth portion of the samples. Samples submitted become property of the state.

(d) As used in this subdivision, "mineral deposit evaluation" means examining an area to determine the quality and quantity of minerals, excluding exploratory boring but including obtaining a bulk sample, by ~~such~~ means as excavating, trenching, constructing shafts, ramps, tunnels, pits and producing refuse and other associated activities. "Mineral deposit evaluation" ~~shall~~ does not include activities intended, by themselves, for commercial exploitation of

the ore body. "Mine development" means those activities undertaken after mineral deposit evaluation for commercial exploitation of the ore body.

Sec. 12. Minnesota Statutes 1988, section 156A.075, is amended to read:

156A.075 [LOCAL CONTROL OF EXPLORERS ALLOWED.]

Nothing contained in ~~Laws 1980, chapter 535~~ shall be construed as ~~limiting~~ chapter 156A limits the lawful authority of local units of government to prohibit mineral exploration within their boundaries, require permits from explorers, or impose reasonable requirements and fees upon explorers, consistent with ~~the provisions of~~ Laws 1980, ~~chapter 535~~ sections 156A.01 to 156A.09, other state laws, and rules ~~promulgated thereunder~~ adopted under those laws.

Sec. 13. Minnesota Statutes 1988, section 156A.08, is amended to read:

156A.08 [PENALTIES.]

Subdivision 1. [VIOLATIONS ARE GROSS MISDEMEANORS.] ~~Any person who shall~~ A person is guilty of a gross misdemeanor if the person: (1) willfully violate ~~violates~~ any lawful rule or order of the commissioner, or ~~who shall engage;~~ (2) engages in the business of drilling or making water wells, sealing wells, installing pumps or pumping equipment, or excavating holes for elevator shafts or hydraulic cylinders without ~~first having obtained~~ a license as required in sections 156A.01 to 156A.08 ~~required, or who shall engage~~ 156A.09; (3) engages in the business of exploratory boring without either being licensed in accordance with the provisions of under this chapter, or being registered as a professional engineer or certified as a professional geologist; or ~~who shall violate~~ (4) violates any provision of sections 156A.01 to 156A.08, shall be guilty of a gross misdemeanor 156A.09. Any A violation of sections 156A.01 to 156A.08 156A.09 shall be prosecuted by the county attorney in the county in which the ~~said~~ violation occurred or is occurring, and. The trial thereof shall be held in that county.

Subd. 2. [DENIAL OF RENEWAL.] The commissioner may deny an application for renewal of a license or registration if the applicant has violated any provision of sections 156A.01 to 156A.09 or rules adopted under those sections. The following are sufficient grounds to refuse renewal: failure to submit a well report, well sealing report, or report on excavation of holes to install elevator shafts or hydraulic cylinders.

Subd. 3. [SUSPENSION, REVOCATION OF LICENSE OR REGISTRATION.] A license or registration issued under sections

156A.01 to 156A.09 may be suspended or revoked upon finding that the licensee or person registered has violated provisions of sections 156A.01 to 156A.09 or the rules and regulations adopted under sections 156A.01 to 156A.09 that apply to the particular license or registration. Proceedings by the commissioner of health under this section and review of the proceedings shall be according to the administrative procedure act.

Subd. 4. [HEARING.] The commissioner may, after providing a person with reasonable notice and a hearing, suspend or revoke the license or registration of the person upon finding that the person has violated requirements of this chapter or rules adopted under this chapter that apply to the person's license or registration. Proceedings by the commissioner of health according to this section and review shall be according to chapter 14.

Subd. 5. [ADMINISTRATIVE PENALTIES.] The commissioner may seek to remedy violations of this chapter or the commissioner's orders by imposing administrative penalties. The penalties may be appealed within ten days of the order in a contested case hearing under chapter 14.

(a) A well contractor or limited well contractor who seals a well, a monitoring well contractor who seals a monitoring well, or an elevator shaft contractor who seals a hole that was used for an elevator shaft in a manner that does not comply with the water well construction code, shall be assessed \$500.

(b) A well contractor or monitoring well contractor who fails to comply with the rules in the water well construction code relating to location of wells in relation to potential sources of contamination, grouting, materials, or construction techniques shall be assessed \$500.

(c) A well contractor or monitoring well contractor shall be assessed \$250 if the contractor: (1) constructs a well without an approved plan review when a plan review is required; (2) constructs a well without a permit; (3) fails to register a drilling rig or pump rig and fails to display the state decal and the registration number on the machine; or (4) fails to comply with the rules in the water well construction code relating to disinfection of water wells and submission of well construction or well sealing logs and water samples.

(d) A person who fails to disclose or who falsifies information about the status and location of wells on property before signing an agreement of sale or transfer of the property, or on a well certificate shall be assessed \$250 unless the seller or transferor can show that reasonable steps were taken to determine that no unreported wells exist on the property. Steps include examination of historical and land ownership records.

(e) A person who employs a well contractor on the person's property and fails to obtain a permit for construction of the well, or who fails to have a well sealed in accordance with the rules, shall be assessed \$250.

Sec. 14. [156A.09] [DUTIES AND RESPONSIBILITIES OF LOCAL UNITS OF GOVERNMENT.] Upon notice from the commissioner of health, local law enforcement authorities shall impound the equipment of any person who has constructed, repaired, or sealed wells or installed pumps or pumping equipment or excavated holes for installing elevator shafts or hydraulic cylinders without a license or registration as required under this chapter. The equipment shall remain in the custody of the local law enforcement office until a final court order is issued.

Sec. 15. Minnesota Statutes 1988, section 326.37, is amended to read:

326.37 [PLUMBERS; SUPERVISION BY STATE COMMISSIONER OF HEALTH; RULES; VIOLATION; PENALTY.]

Subdivision 1. [MINIMUM STANDARDS.] The state commissioner of health may, by rule, prescribe minimum standards which shall be uniform, and which standards shall thereafter be effective for all new plumbing installations, including additions, extensions, alterations, and replacements connected with any water or sewage disposal system owned or operated by or for any municipality, institution, factory, office building, hotel, apartment building, or any other place of business regardless of location or the population of the city or town in which located. Violation of the rules shall be a misdemeanor.

Subd. 2. [STANDARDS FOR CAPACITY.] By January 1, 1991, all new and replacement floor-mounted water closets may not have a flush volume of more than 1.6 gallons. The water closets must meet the standards of the commissioner and the American National Standards Institute.

Subd. 3. [ADMINISTRATION.] The commissioner shall administer the provisions of sections 326.37 to 326.45 and for such purposes may employ plumbing inspectors and other assistants.

Sec. 16. [REPEALER.]

Minnesota Statutes 1988, sections 156A.02, subdivision 3; 156A.031; 156A.04; 156A.07; 156A.10; and 156A.11, are repealed.

## ARTICLE 6

Section 1. Minnesota Statutes 1988, section 116C.41, subdivision 1, is amended to read:

Subdivision 1. [WATER PLANNING.] The board shall:

(1) coordinate public water resource management and regulation activities among the state agencies having jurisdiction in the area;

(2) initiate, coordinate, and continue to develop comprehensive long-range water resources planning in furtherance of the plan adopted by the water planning board entitled "A Framework for a Water and Related Land Resources Strategy for Minnesota, 1979";

(3) coordinate water planning activities of local, regional, and federal bodies with state water planning and integrate these plans with state strategies; and

(4) coordinate development of state water policy recommendations and priorities, and recommend a program for funding identified needs, including priorities for implementing the state water resources monitoring plan under clause (5);

(5) develop a plan for monitoring the state's water resources in cooperation with state agencies and local units of government participating in the monitoring of water resources and in the development of comprehensive local water plans;

(6) administer federal water resources planning with multiagency interests;

(7) establish minimum data compatibility standards governing the collection and automation of water resource and related data that has common value for natural resource planning;

(8) identify water resources information and education needs, priorities, and goals and prepare an implementation plan to guide state activities relating to water resources information and education;

(9) coordinate the development and evaluation of water information and education materials and resources;

(10) coordinate the dissemination of water information and education through existing delivery systems;

(11) prepare an interdisciplinary program of instruction on water education for teachers and students in kindergarten through grade 12; and

(12) prepare an annual report on program results.

Sec. 2. Minnesota Statutes 1988, section 116C.41, is amended by adding a subdivision to read:

Subd. 4. [CONSISTENCY OF STATE INFORMATION ACTIVITIES.] State agency information and education activities must be consistent with the implementation plan required under subdivision 1, clause (8).

## ARTICLE 7

### LOCAL WATER RESOURCES PROTECTION AND MANAGEMENT

Section 1. Minnesota Statutes 1988, section 110B.35, subdivision 3, is amended to read:

Subd. 3. [EX OFFICIO NONVOTING MEMBERS.] The following agencies shall each provide one nonvoting member to the board:

- (1) department of agriculture;
- (2) department of health;
- (3) department of natural resources; ~~and~~
- (4) pollution control agency; and
- (5) the University of Minnesota.

Sec. 2. [110C.01] [SHORT TITLE.]

Sections 2 to 7 may be cited as the "local water resources protection and management program."

Sec. 3. [110C.02] [PURPOSE.]

The purpose of the local water resources protection and management program is to provide state financial and technical assistance to local units of government for local programs to protect and manage water resources within the framework provided by approved comprehensive local water plans.

Sec. 4. [110C.03] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 5 to 10, the terms defined in this section have the meanings given them.

Subd. 2. [BOARD.] "Board" means the board of water and soil resources.

Subd. 3. [LOCAL UNIT OF GOVERNMENT.] "Local unit of government" means a statutory or home rule charter city, town, county, or soil and water conservation district, watershed district, an organization formed for the joint exercise of powers under section 471.59, a local health board, or other special purpose district or authority with local jurisdiction in water and related land resources management.

Subd. 4. [COMPREHENSIVE LOCAL WATER PLAN.] "Comprehensive local water plan" means a county water plan authorized under section 110B.04, a watershed management plan required under section 473.878, an overall plan required under section 112.46, or a county groundwater plan authorized under section 473.8785.

Sec. 5. [110C.04] [COMPREHENSIVE LOCAL WATER PLANS HAVE PRIORITY FOR FINANCIAL ASSISTANCE.]

State agencies must give priority to local requests that are part of, or responsive to, a comprehensive local water plan when administering programs for water-related financial and technical assistance.

Sec. 6. [110C.05] [LOCAL WATER RESOURCES PROTECTION AND MANAGEMENT GRANTS.]

Subdivision 1. [ESTABLISHMENT; FINANCIAL ASSISTANCE TO COUNTIES.] A local water resources protection and management grants program is established. The board shall provide financial assistance to counties for cooperative local government activities that protect and improve water quality or quantity. These activities may include, but are not limited to, planning, official controls, and other activities to implement comprehensive local water plans.

Subd. 2. [COUNTY SPONSORSHIP.] Funding requests must be submitted to the board by a county. A county must coordinate and submit requests on behalf of other units of government within its jurisdiction. A county may contract with other appropriate local units of government to implement programs conducted under this section. An explanation of the program responsibilities proposed to be contracted with other local units of government must accompany grant requests. A county that contracts with other local units of government is responsible for ensuring that state funds are properly

expended and for providing an annual report to the board describing expenditures of funds and program accomplishments.

Subd. 3. [FINANCIAL ASSISTANCE.] Grants may be used to employ persons and to obtain and use information necessary to implement the following activities:

(1) develop comprehensive local water plans under sections 110B.04 and 473.8785 which have not received state funding for water resources planning as provided for in Laws 1987, chapter 404, section 30, subdivision 5, clause (a); and

(2) implement water resources programs identified as priorities in comprehensive local water plans.

Subd. 4. [LIMITATIONS.] Grants provided to carry out mandated or delegated state programs under this section shall be reviewed by the agency having statutory program authority to assure compliance with minimum state standards. At the request of the agency commissioner, the board shall revoke that portion of the grant used to support a noncompliant program.

Grants provided for the purpose of developing comprehensive local water plans shall not be awarded for greater than a two-year time period.

Subd. 5. [RULES.] The board shall adopt rules that:

(a) establish performance criteria for grant administration for local implementation of state delegated or mandated programs that recognize regional variations in program needs and priorities;

(b) recognize the unique nature of state delegated or mandated programs;

(c) specify that program activities contracted by a county to another local unit of government are eligible for funding;

(d) require that grants from the board shall not exceed the amount matched by participating local units of government; and

(e) specify a process for the board to establish a base level grant amount that all participating counties may be eligible to receive.

Subd. 6. [ELIGIBILITY.] A county requesting funds must have adopted a comprehensive local water plan unless the request is made under subdivision 3, clause (1).

Subd. 7. [PRIORITIES.] The board must consider requests for funding according to the following:



(1) completing comprehensive local water plans under sections 110B.04 and 473.8785;

(2) adoption, administration, and enforcement of official controls;

(3) indicate the participation of several local units of government, including multicounty efforts;

(4) complement goals of federal, state, and local units of government; and

(5) demonstrate long-term commitments to effective water protection and management programs.

Subd. 8. [COORDINATED REVIEW OF COUNTY WATER RESOURCES PROTECTION AND MANAGEMENT PROGRAM.] The board shall consult with appropriate agencies to evaluate grant requests and coordinate project activities with other state, federal, and local resource management projects.

Sec. 7. [110C.06] [WELL SEALING GRANTS.]

Subdivision 1. [POLICY.] The board shall make grants to counties to seal wells. The board may allocate funds to counties to be used to share the cost of sealing priority wells. The county shall use the state funds to pay up to 75 percent, but not to exceed \$2,000 per well, of the cost of sealing priority wells.

Subd. 2. [REPORT.] The board in consultation with the commissioner of health shall make annual reports to the legislature on the status of expenditures and well sealings.

Subd. 3. [SUNSET.] The grant program established under this section shall not continue beyond June 30, 1995. Grants provided between July 1, 1989 and June 30, 1995, are contingent upon biennial appropriation of funds.

Subd. 4. [ELIGIBILITY.] All wells proposed for sealing with grants by the board under this section must be wells identified as part of the priority action in an approved comprehensive local water plan and are wells that qualify for sealing under criteria established by the board.

Subd. 5. [APPLICATION.] (a) Counties shall complete and submit applications for well sealing grants on forms prescribed by the board.

(b) In its application, the county shall provide evidence that it has consulted the local community health service boards, soil and water

conservation districts, and other appropriate local units of government or organizations in preparing the application.

Subd. 6. [BOARD DUTIES.] (a) The board, in selecting counties for participation, shall consult with the commissioners of natural resources, pollution control, and health, and the director of the Minnesota geological survey, and must consider appropriate criteria including the following:

- (1) diversity of well construction;
- (2) diversity of geologic conditions;
- (3) current use of affected aquifers;
- (4) diversity of land use; and
- (5) aquifer susceptibility to contamination by unsealed wells.

(b) The board and the commissioner of health shall establish priorities for sealing wells based upon the following criteria:

- (1) well construction, depth, and condition;
- (2) importance of aquifer as public and private water supply source;
- (3) proximity to known or potential point or nonpoint contamination sources;
- (4) current contamination of the well or aquifer;
- (5) susceptibility of aquifer to contamination by unsealed wells;
- (6) limited availability of alternative sources of drinking water;
- (7) potential for use of the well for monitoring groundwater;
- (8) anticipated changes in land or water use;
- (9) unique conditions such as construction, rehabilitation, or demolition areas; and
- (10) danger to humans or animals of falling into the well.

Subd. 7. [COUNTY DUTIES AND RESPONSIBILITIES.] (a) A county may contract for the administration of the well sealing program with another local unit of government.

(b) A county, or contracted local unit of government, shall contract with landowners to share in the cost of sealing priority wells in accordance with subdivision 6. The contract shall specify that:

(1) sealing must be done in accordance with chapter 156A and the commissioner of health rules relating to sealing of wells;

(2) that payment shall be made to the landowner, upon completion of sealing of the well by a contractor licensed in accordance with chapter 156A; and

(3) that a record of well sealing shall be filed along with a copy of the water well record with the commissioner of health.

(c) The county shall make an annual report to the board, by or before February 15 of each year, on the status of the well sealing grant program including the number and location of wells sealed and the amount spent on each.

(d) The county must consult with local health boards, soil and water conservation districts, planning and zoning departments, and other appropriate organizations during program implementation.

(e) To encourage landowner participation in the program, the county shall publicize in newspapers of general circulation, information regarding availability of state funds to share the cost of sealing wells, may conduct appropriate well sealing workshops and demonstrations, and invite the public to report to the county on the existence of wells that need to be sealed.

Subd. 8. [LANDOWNER RIGHTS AND RESPONSIBILITIES.] The owner shall file the record of well sealing with the county recorder or register of deeds where the sealed well is located.

Sec. 8. Minnesota Statutes 1988, section 115.093, subdivision 5, is amended to read:

Subd. 5. [LOCAL UNIT OF GOVERNMENT.] "Local unit of government" means a statutory or home rule charter city, town, county, soil and water conservation district, watershed district, an organization formed for the joint exercise of powers under section 471.59, an Indian tribe or an authorized Indian tribal organization, and any other special purpose district or authority exercising authority in water and related land resources management at the local level.

## ARTICLE 8

## WATER APPROPRIATION PRIORITIES

Section 1. [105.406] [NEW ONCE-THROUGH PERMITS PROHIBITED.]

No new water use permits for groundwater may be issued for once-through cooling systems for human comfort constructed after the effective date of this act. The renewal or amendment of existing permits shall be allowed.

Sec. 2. [CONSUMPTIVE WATER USE STUDY.]

The commissioner of natural resources shall conduct a study of consumptive water use and its impact on existing aquifers. The commissioner shall review methods of reducing consumptive groundwater use, including the conversion of once-through cooling systems for human comfort to alternative systems. The commissioner shall report to the legislature by January 1, 1990, the commissioner's recommendations for alternatives to the once-through heating and cooling systems including potential uses for discharge water from the systems, the environmental and economic implications of the alternatives, and other uses for the discharge water. The report shall also describe the relative impact on affected aquifers, examine the efficiency of once-through cooling systems, and make recommendations for corrective action on inefficient systems. The corrective action shall include either upgrading such systems or the conversion to an alternative system within a time schedule to be recommended by the commissioner of natural resources, but not later than January 2, 1994.

Sec. 3. Minnesota Statutes 1988, section 105.41, subdivision 1a, is amended to read:

Subd. 1a. [WATER ALLOCATION RULES, PRIORITIES.] The commissioner shall submit to the legislature by January 1, 1975, for its approval, proposed adopt rules in the manner provided in chapter 14, governing the allocation of waters among potential water users. For the purposes of this section, "consumption" shall mean water withdrawn from a supply which is lost for immediate further use in the area. These rules must be based on the following priorities for the consumptive appropriation and use of water:

First priority: domestic water supply, excluding industrial and commercial uses of municipal water supply, and use for power production that meets the contingency planning provisions of section 105.417, subdivision 5.

Second priority: any use of water that involves consumption of less than 10,000 gallons of water a day. In this section "consumption"

means water withdrawn from a supply that is lost for immediate further use in the area.

Third priority: agricultural irrigation, involving consumption in excess of 10,000 gallons a day, and processing of agricultural products.

Fourth priority: power production involving consumption in excess of 10,000 gallons a day in excess of the use provided for in the contingency plan developed pursuant to section 105.417, subdivision 5.

Fifth priority: other uses, involving consumption in excess of 10,000 gallons a day.

Appropriation and use of surface water from streams during periods of flood flows and high water levels must be encouraged subject to consideration of the purposes for use, quantities to be used, and the number of persons appropriating water.

Appropriation and use of surface water from lakes of less than 500 acres in surface area must be discouraged.

The treatment and reuse of water from nonconsumptive uses shall be encouraged.

Diversions of water from the state for use in other states or regions of the United States or Canada must be discouraged.

No permit may be issued under this section unless it is consistent with state, regional, and local water and related land resources management plans, if regional and local plans are consistent with statewide plans. The commissioner must not modify or restrict the amount of appropriation from a groundwater source authorized in a permit issued under section 105.44, subdivision 8, between May 1 and October 1 of any year, unless the commissioner determines the authorized amount of appropriation endangers any domestic water supply.

Sec. 4. Minnesota Statutes 1988, section 105.418, is amended to read:

105.418 [CONSERVATION OF PUBLIC WATER SUPPLIES.]

During periods of critical water deficiency as determined by the governor and declared by order of the governor, public water supply authorities appropriating water shall adopt and enforce restrictions consistent with rules adopted by the commissioner of natural resources within their areas of jurisdiction. The restrictions must limit lawn sprinkling, car washing, golf course and park irrigation,

and other nonessential uses and have appropriate penalties for failure to comply with the restrictions. The commissioner may adopt emergency rules according to sections 14.29 to 14.36 relating to matters covered by this section ~~during the year 1977~~. Disregard of critical water deficiency orders, even though total appropriation remains less than that permitted, is grounds for immediate modification of any public water supply authority's appropriator's permit.

## ARTICLE 9

### APPROPRIATIONS

#### Section 1. [APPROPRIATION.]

\$440,000 the first year and \$440,000 the second year are appropriated to the commissioner of agriculture from the general fund for the implementation of the pesticide and fertilizer control provisions of this act."

Correct internal references

Delete the title and insert:

"A bill for an act relating to groundwater; establishing best management practices and identification of sensitive areas; adopting health risk 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; reorganizing and revising laws on water wells, exploratory boring, and elevator shafts; providing for local water resources protection and management; establishing water appropriation priorities; amending Minnesota Statutes 1988, sections 17.713; 17.714, subdivisions 1, 3, 6, and by adding a subdivision; 17.715, subdivisions 1, 2, 4, and by adding subdivisions; 17.7155; 17.716, subdivisions 1, 2, and 4; 17.718; 17.719, subdivisions 1, 2, 3, 4, and by adding subdivisions; 17.72; 17.721, by adding a subdivision; 17.722; 17.723; 17.725, subdivision 2, and by adding subdivisions; 17.728, subdivision 1, and by adding subdivisions; 17.7285; 17.73, subdivisions 3 and 5; 18B.01, subdivisions 5, 12, 15, 19, 21, 23, 26, 30, and by adding subdivisions; 18B.04; 18B.07, subdivisions 2, 3, 4, 5, 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, 5, and by adding a subdivision; 18B.31, subdivision 3; 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; 43A.08, subdivision 1; 105.41, subdivision 1a; 105.418; 110B.35, subdivision 3; 115.093, subdivision 5; 116C.41, subdivision 1, and by adding a subdivision; 156A.01; 156A.02; 156A.03; 156A.05; 156A.06;

156A.071; 156A.075; 156A.08; 326.37; and 604.02, subdivision 1; proposing coding for new law as Minnesota Statutes, chapters 110C and 115D; proposing coding for new law in Minnesota Statutes, chapters 17; 18B; 105; 115; and 156A; repealing Minnesota Statutes 1988, sections 17.714, subdivisions 4, 4a, and 4b; 17.715, subdivision 3; 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."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Appropriations to which was referred:

H. F. No. 601, A bill for an act relating to waste management; defining waste reduction; extending the expiration date of waste advisory councils; authorizing counties to designate waste to landfills; requiring financial reports from landfills; clarifying the limits of political subdivision liability for superfund cleanup at landfills; authorizing the pollution control agency to acquire interests in real estate necessary for superfund; authorizing superfund to reimburse political subdivisions for costs incurred in responding to emergency releases of hazardous materials; making claims for injuries due to petroleum contamination eligible for compensation by the harmful substances compensation fund; authorizing transfer of money from the petroleum tank release cleanup fund; altering the metropolitan council's authority for solid waste planning; raising the solid waste disposal fee in the metropolitan area; clarifying the 1990 ban on disposal of unprocessed waste in the metropolitan area; extending the date until which metalcasters are not liable for payment of solid waste generator fees; requiring a study of solid waste management district legislation; amending Minnesota Statutes 1988, sections 115A.03, by adding a subdivision; 115A.12, subdivision 1; 115A.14, subdivision 2; 115A.46, subdivision 2; 115A.80; 115A.81, subdivision 2; 115A.83; 115A.84; 115A.85, subdivision 2; 115A.86, subdivisions 3 and 5; 115A.893; 115A.906, by adding a subdivision; 115A.94, by adding a subdivision; 115B.04, subdivision 4; 115B.17, by adding a subdivision; 115B.20, subdivision 2; 115B.25, subdivisions 1, 2, 7, and by adding subdivisions; 115B.26; 115B.27, subdivision 1; 115B.28, subdivision 2; 115B.29, subdivision 1; 115B.30, subdivision 3; 115B.34, subdivision 2; 115C.08, subdivision 4, and by adding a subdivision; 116.07, by adding a subdivision; 466.04, subdivision 1; 473.149, subdivisions 2d and 2e; 473.803, by adding a subdivision; 473.823, subdivision 3; 473.831, subdivision 2; 473.833, subdivisions 2 and 2a; 473.843, subdivisions 1 and 2; 473.844,

subdivision 1a; 473.8441, subdivision 5; 473.845, subdivision 2; and 473.848; Laws 1984, chapter 644, section 85, as amended; proposing coding for new law in Minnesota Statutes, chapter 115A; repealing Minnesota Statutes 1988, sections 115A.98; and 115B.29, subdivision 2.

Reported the same back with the following amendments:

Page 5, after line 8, insert:

"Sec. 5. Minnesota Statutes 1988, section 115A.54, subdivision 2a, is amended to read:

Subd. 2a. [SOLID WASTE MANAGEMENT PROJECTS.] (a) The board shall provide technical and financial assistance for the acquisition and betterment of solid waste management projects as provided in this subdivision and section 115A.52. Money appropriated for the purposes of this subdivision must be distributed as grants.

(b) Except as provided in paragraph (c), a project may receive grant assistance up to 25 percent of the capital cost of the project or \$2,000,000, whichever is less.

(c) A recycling project or a project to compost or co-compost waste may receive grant assistance up to 50 percent of the capital cost of the project or \$2,000,000, whichever is less.

(d) Projects without resource recovery are not eligible for assistance. The agency may award grants for transfer stations that will initially transfer waste to landfills provided those transfer stations are part of a planned resource recovery project, and provided the county where the planned resource recovery facility will be located has a comprehensive solid waste management plan approved by the agency and that plan proposes the development of the resource recovery facility. If the proposed resource recovery facility is not in place and operating within five years of the date of the grant award, the recipient shall repay the grant amount to the state.

(e) In addition to any assistance received under clause (b) or (c), a project may receive grant assistance for the cost of tests necessary to determine the appropriate pollution control equipment for the project or the environmental effects of the use of any product or material produced by the project.

(f) In addition to the application requirements of section 115A.51, an application for a project serving eligible jurisdictions in only a single county must demonstrate that cooperation with jurisdictions in other counties to develop the project is not needed or not feasible. Each application must also demonstrate that the project is not financially prudent without the state assistance, because of the



applicant's financial capacity and the problems inherent in the waste management situation in the area, particularly transportation distances and limited waste supply and markets for resources recovered.

(g) For the purposes of this subdivision, a "project" means a processing facility, together with any transfer stations, transmission facilities, and other related and appurtenant facilities primarily serving the processing facility. The board shall adopt rules for the program by July 1, 1985."

Page 7, line 23, before "solid" insert "mixed municipal"

Page 13, line 7, before "The" insert "(a)"

Page 13, line 12, delete everything after the period

Page 13, delete lines 13 to 31 and insert:

"(b) Except as provided in paragraph (c), when a political subdivision is liable as an owner or operator of a disposal facility as defined in section 115A.03, subdivision 10, including a facility owned or operated under a valid joint powers agreement to which the political subdivision is a party, the liability of the political subdivision under this section is limited to \$400,000 for the facility; provided that, if a facility is owned or operated under a joint powers agreement by three or more political subdivisions, the aggregate liability for the facility of all political subdivisions that are parties to the joint powers agreement is limited to \$1,200,000.

(c) The limits under paragraph (b) apply to response costs incurred between the date a request for response action is issued to the political subdivision by the agency and the date one year after the construction certificate of completion for the response action is approved by the commissioner. The limits under paragraph (b) do not apply to response costs incurred outside the dates set forth in this paragraph or to costs incurred to negotiate a consent order or other agreement with the agency concerning any response action.

(d) When a political subdivision subject to the liability limits under paragraph (b) incurs response costs between the dates in paragraph (c) for response actions under a work plan approved by the agency:

(1) the liability of the political subdivision for response costs to which limits apply under paragraph (c) is reduced by the amount spent; and

(2) the agency may reimburse the political subdivision for any

amount spent that exceeds the applicable limit under paragraph (b)."

Page 13, line 35, delete "easements and leases"

Page 13, line 36, after "leases" insert a comma

Page 15, line 36, delete "17" and insert "115B.17, subdivision 15"

Page 16, line 9, delete "16" and insert "115B.04, subdivision 4"

Page 18, line 8, delete "34" and insert "115C.08, subdivision 5"

Page 21, lines 25 and 31, delete "27" and insert "115B.26"

Page 21, line 25, delete "34" and insert "115C.08, subdivision 5"

Page 25, after line 36, insert:

"Sec. 41. Minnesota Statutes 1988, section 473.811, subdivision 4, is amended to read:

Subd. 4. [COUNTY CONTRACTS.] Each metropolitan county may contract for the acquisition or use of existing public or private solid waste facilities or any facilities deemed necessary or useful for resource recovery from solid waste and may contract with any person for the operation or maintenance, or both, of any solid waste facility owned by the county. The contract shall provide for the operation or maintenance, or both, of the facility in accordance with any regulations, criteria, and standards of the agency, the metropolitan council and the county relating thereto. Any contract for the operation or maintenance of a solid waste facility may provide for the sale of solid waste, materials, electric energy, steam or other product to the operator or for a fee payable to the operator, which may be a fixed fee, or a fee based on tonnage or a percentage of income or other measure, or any combination thereof. A metropolitan county may warrant to the operator of a solid waste facility or contract purchaser of any solid waste, materials, electric energy, steam or other product the quality, composition and available quantity of the solid waste, materials, electric energy, steam or other product to be sold or delivered. A metropolitan county may enter into an agreement with a local government unit or the University of Minnesota for the purpose of compensating for the local risks, costs, or other effects of a waste processing facility."

Page 29, line 2, after "council" insert a period

Page 29, delete line 3

Page 35, after line 29, insert:

"Sec. 55. [CLOSED MUNICIPAL LANDFILLS; FINANCIAL ASSURANCE AND CLOSURE REQUIREMENTS.]

A publicly operated mixed municipal solid waste landfill that stops accepting waste before July 1, 1990, is exempt from Minnesota Rules, parts 7035.2665 to 7035.2805, relating to financial assurance requirements.

Nothing in this section may be construed to eliminate public owner or operator responsibility and liability for closure or postclosure care required of facilities under Minnesota Statutes, section 116.07 and the rules adopted under it.

The pollution control agency shall study additional alternatives within the financial assurance requirements set forth in Minnesota Rules, parts 7035.2665 to 7035.2805 and report to the legislative commission on waste management by January 1, 1990.

Sec. 56. [ASH DEMONSTRATION PROJECTS; STATE INDEMNIFICATION.]

Subdivision 1. [SEWAGE SLUDGE ASH PROJECT; REPORT.] The metropolitan waste control commission and the commissioner of transportation shall jointly conduct one or more demonstration projects to determine the long-term potential and effects of the use of sewage sludge ash generated by the commission as a fine aggregate in asphalt for use in state paving projects. The commission and the commissioners of transportation and the pollution control agency shall assess the practicality, costs, and potential environmental effects of use of the ash in asphalt and shall report to the legislative commission on waste management by November 1, 1990. The report must include a description of the projects undertaken, findings, and recommendations for further research needs and the future use of sewage sludge ash in asphalt.

Subd. 2. [SOLID WASTE ASH PROJECT; REPORT.] The Hennepin county board and the commissioner of transportation may jointly conduct a demonstration project to determine the long-term potential and effects of using solid waste ash as an aggregate in asphalt for use in road projects. The commissioners of transportation and the pollution control agency shall assess the practicality, costs, and potential effects of the use of the ash in asphalt and shall submit a report to the legislative commission on waste management by May 1, 1990, to include a description of the projects undertaken, findings, and recommendations for the future research needs and future use of solid waste ash in asphalt.

Subd. 3. [INDEMNIFICATION.] The state, through the general fund, assumes any and all liability related to the projects authorized in this section that is imposed on the metropolitan waste control commission, the commissioner of transportation, the county of

Hennepin, and their employees, agents, and contractors, if the liability is based on classification of the ash as hazardous waste or a pollutant or contaminant under state or federal law. The state assumes the liability only if:

(1) the project is conducted in compliance with a permit issued by the pollution control agency; and

(2) if the entity held liable used due care in implementing the project.

The commissioner of transportation and the commissioner's agents and contractors are not responsible parties under chapters 115 and 115B for a release that occurs as a result of a project authorized by this section.

#### Sec. 57. [COLLECTOR COMPENSATION REPORT.]

The legislative commission on waste management with the participation of representatives of local government and of the solid waste collection industry shall prepare a report which examines whether and under what circumstances a local unit of government shall ensure just and reasonable compensation to solid waste collectors who are displaced when a local unit of government organizes solid waste collection under Minnesota Statutes, section 115A.94. The commission shall complete its report and recommend for legislative action any compensation mechanism found necessary by January 31, 1990.

#### Sec. 58. [APPROPRIATION.]

\$10,000 is appropriated for fiscal year 1990 from the general fund for the purposes of section 57."

Page 36, line 5, delete "15" and insert "16" and delete everything after "1989" and insert a period

Page 36, delete lines 6 and 7

Page 36, line 8, delete "16 and 36" and insert "17 and 37"

Page 36, line 11, delete "17 and 18" and insert "18 and 19"

Page 36, line 12, delete "18" and insert "19"

Page 36, line 14, delete "43 and 52" and insert "45 and 54"

Renummer the sections in sequence

Delete the title and insert:

"A bill for an act relating to waste management; defining waste reduction; extending the expiration date of waste advisory councils; authorizing counties to designate waste to landfills; requiring financial reports from landfills; clarifying the limits of political subdivision liability for superfund cleanup at landfills; authorizing the pollution control agency to acquire interests in real estate necessary for superfund; authorizing superfund to reimburse political subdivisions for costs incurred in responding to emergency releases of hazardous materials; making claims for injuries due to petroleum contamination eligible for compensation by the harmful substances compensation fund; authorizing transfer of money from the petroleum tank release cleanup fund; altering the metropolitan council's authority for solid waste planning; raising the solid waste disposal fee in the metropolitan area; clarifying the 1990 ban on disposal of unprocessed waste in the metropolitan area; extending the date until which metalcasters are not liable for payment of solid waste generator fees; requiring a study of solid waste management district legislation; amending Minnesota Statutes 1988, sections 115A.03, by adding a subdivision; 115A.12, subdivision 1; 115A.14, subdivision 2; 115A.46, subdivision 2; 115A.54, subdivision 2a; 115A.80; 115A.81, subdivision 2; 115A.83; 115A.84; 115A.85, subdivision 2; 115A.86, subdivisions 3 and 5; 115A.893; 115A.906, by adding a subdivision; 115A.94, by adding a subdivision; 115B.04, subdivision 4; 115B.17, by adding a subdivision; 115B.20, subdivision 2; 115B.25, subdivisions 1, 2, 7, and by adding subdivisions; 115B.26; 115B.27, subdivision 1; 115B.28, subdivision 2; 115B.29, subdivision 1; 115B.30, subdivision 3; 115B.34, subdivision 2; 115C.08, subdivision 4, and by adding a subdivision; 116.07, by adding a subdivision; 466.04, subdivision 1; 473.149, subdivisions 2d and 2e; 473.803, by adding a subdivision; 473.811, subdivision 4; 473.823, subdivision 3; 473.831, subdivision 2; 473.833, subdivisions 2 and 2a; 473.843, subdivisions 1 and 2; 473.844, subdivision 1a; 473.8441, subdivision 5; 473.845, subdivision 2; and 473.848; Laws 1984, chapter 644, section 85, as amended; proposing coding for new law in Minnesota Statutes, chapter 115A; repealing Minnesota Statutes 1988, sections 115A.98; and 115B.29, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Appropriations to which was referred:

H. F. No. 622, A bill for an act relating to consumer protection; providing for enhanced civil penalties for deceptive acts targeted at senior citizens or handicapped persons; providing factors a court may consider in determining to impose an enhanced civil penalty;

providing that sums collected must be credited to the account of the state board on aging; amending Minnesota Statutes 1988, section 256.975, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

The report was adopted.

Anderson, G., from the Committee on Appropriations to which was referred:

H. F. No. 773, A bill for an act relating to state government; financing the beginning farmer loan program; regulating certain administrative duties of the commissioner of finance; permitting certain financial arrangements; abolishing the water pollution control fund; amending Minnesota Statutes 1988, sections 16A.065; 16A.27, subdivision 5; 16A.58; 16A.631; 16A.641, subdivision 7; 16A.661, subdivision 7; 16A.85, subdivisions 1 and 3; 41B.19, subdivision 5; 41B.195; 115A.58, subdivisions 1, 3, 4, and 5; 115A.59; 116.16, subdivisions 1, 2, 3, 4, 5, and 9; 116.17, subdivisions 1, 3, and 5; 116.18, subdivisions 1, 4, 5, and 6; 124.42, subdivision 3; 136C.44; 216C.37, subdivision 6; 246.50, subdivision 5; 246.64, subdivision 1; 297.13, subdivision 1; 297.32, subdivision 9; and Laws 1987, chapter 396, article 12, section 10; repealing Minnesota Statutes 1988, sections 84B.08; 85A.04, subdivision 2; 115A.57; 136C.42; 136C.43, subdivisions 1, 2, and 3.

Reported the same back with the following amendments:

Pages 20 and 21, delete sections 34 and 35

Page 22, line 31, delete "37" and insert "35"

Renumber the remaining sections in sequence

Amend the title as follows:

Page 1, line 15, delete everything after the first semicolon

Page 1, line 16, delete "subdivision 9;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Appropriations to which was referred:

H. F. No. 777, A bill for an act relating to public safety; appropriating fees charged by state patrol and capitol complex security division for escort and contracted security services; proposing coding for new law in Minnesota Statutes, chapters 299D and 299E.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1988, section 299D.03, subdivision 1, is amended to read:

Subdivision 1. [MEMBERS.] The commissioner is hereby authorized to employ and designate a chief supervisor, a chief assistant supervisor, and such assistant supervisors, sergeants and officers as are provided by law, who shall comprise the Minnesota state patrol. The members of the Minnesota state patrol shall have the power and authority:

(1) As peace officers to enforce the provisions of the law relating to the protection of and use of trunk highways.

(2) At all times to direct all traffic on trunk highways in conformance with law, and in the event of a fire or other emergency, or to expedite traffic or to insure safety, to direct traffic on other roads as conditions may require notwithstanding the provisions of law.

(3) To serve warrants and legal documents anywhere in the state.

(4) To serve orders of the commissioner of public safety or the commissioner's duly authorized agents issued under the provisions of the Drivers License Law, the Safety Responsibility Act, or relating to authorized brake and light testing stations, anywhere in the state and to take possession of any license, permit or certificate ordered to be surrendered.

(5) To inspect official brake and light adjusting stations.

(6) To make appearances anywhere within the state for the purpose of conducting traffic safety educational programs and school bus clinics.

(7) To exercise upon all trunk highways the same powers with respect to the enforcement of laws relating to crimes, as sheriffs, constables and police officers.

(8) To cooperate, under instructions and rules of the commissioner of public safety, with all sheriffs and other police officers anywhere in the state, provided that said employees shall have no power or authority in connection with strikes or industrial disputes.

(9) To assist and aid any peace officer whose life or safety is in jeopardy.

(10) As peace officers to provide security and protection to the governor, governor elect, either or both houses of the legislature, and state buildings or property in the manner and to the extent determined to be necessary after consultation with the governor, or a designee. Pursuant to this clause, members of the state patrol, acting as peace officers have the same powers with respect to the enforcement of laws relating to crimes, as sheriffs, constables and police officers have within their respective jurisdictions.

(11) To inspect school buses anywhere in the state for the purposes of determining compliance with vehicle equipment, pollution control, and registration requirements.

(12) As peace officers to make arrests for public offenses committed in their presence anywhere within the state. Persons arrested for violations other than traffic violations shall be referred forthwith to the appropriate local law enforcement agency for further investigation or disposition.

Notwithstanding any provision of law to the contrary, The state may contract for state patrol members to render the services described in clauses (1) and (2) in excess of their regularly scheduled duty hours to a governmental unit pursuant to section 471.59, and patrol members rendering such services shall be compensated in such amounts, manner and under such conditions as the agreement provides.

Employees thus employed and designated shall subscribe an oath and furnish a bond running to the state of Minnesota, said bond to be approved and filed in the office of the secretary of state."

Page 1, line 20, delete "and 2" and insert "to 3"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert "amending Minnesota Statutes 1988, section 299D.03, subdivision 1;"



With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Appropriations to which was referred:

H. F. No. 782, A bill for an act relating to transportation; clarifying source of funds to be deposited in the rail service improvement account; requiring the commissioner of transportation to identify areas where insufficient rail service is detrimental to efficient transportation; providing for apportionment of costs for new grade crossings; providing for improvement of existing rail crossings; providing for reimbursement of expenses for maintaining signals and other safety devices; appropriating money; amending Minnesota Statutes 1988, sections 219.071, subdivision 1; 219.072; 222.49; 222.50, subdivisions 4, 5, 6, 7, and by adding a subdivision; 222.63, subdivision 8; and 398A.02; repealing Minnesota Statutes 1988, section 222.50, subdivision 8.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 219.071, subdivision 2, is amended to read:

Subd. 2. [PAYMENT OF COSTS.] If a grade-crossing surface, as defined in section 219.16, needs improvement, repair or maintenance, the cost for the improvement, repair or maintenance may be paid jointly by the owner or lessee of the track, the road authority having jurisdiction over the public highway involved and funds available to the department for grade-crossing surfaces from the following sources:

(1) money appropriated to the department in the future for the purposes of this section;

(2) available federal funds allocated for the grade-crossing program established by this section; and

(3) money acquired by the department by gift, grant, or contribution from any source for purposes of this section.

Sec. 2. Minnesota Statutes 1988, section 219.072, is amended to read:

219.072 [ESTABLISHMENT OF NEW GRADE CROSSINGS.]

The establishment of all new grade crossings must be approved by the commissioner. When establishment of a new grade crossing is desired, either by the public officials having the necessary authority or by the railroad company, and the public officials and the railroad company cannot agree as to need, location, or type of warning devices required, either party may file a petition with the commissioner setting forth the facts and submitting the matter for determination. The commissioner, after notice as the commissioner deems reasonable, shall conduct a hearing and issue an order determining the matters submitted. If the commissioner approves the establishment of a new grade crossing, the commissioner may in the same order direct that the costs, including the costs of the type of warning devices required, be divided between the railroad company and the public authority involved as the parties may agree, or, if they fail to agree, then as determined by the commissioner on the basis of benefit to the users of each. However, the commissioner may defer determination of the division of costs to a subsequent order to be made on the basis of evidence previously taken.

### Sec. 3. [219.265] [MAINTENANCE COSTS.]

A railroad company that incurs expenses for the maintenance of signals or other safety devices used at grade crossings may annually file a claim for reimbursement with the commissioner. The commissioner shall reimburse claimants for up to 50 percent of the costs, as determined by the commissioner, from funds made available for this purpose. The commissioner shall designate by rule the expenses that may be reimbursed under this section.

Sec. 4. Minnesota Statutes 1988, section 222.49, is amended to read:

### 222.49 [RAIL SERVICE IMPROVEMENT ACCOUNT.]

The rail service improvement account is created in the special revenue fund in the state treasury. The commissioner shall deposit in this account all money appropriated to or received by the department for the purpose of rail service improvement, including bond proceeds as authorized by Article XI, Section 5, Clause (i) of the Minnesota Constitution and federal money, but excluding proceeds of state bonds or other funds appropriated to the commissioner from the state transportation fund for the acquisition or betterment of property pertaining to the state rail bank established by section 222.63, and excluding income of the state rail bank and any other funds appropriated for its maintenance or improvement. All money so deposited is appropriated to the department for expenditure for rail service improvement in accordance with applicable state and federal law. This appropriation shall not lapse but shall be available until the purpose for which it was appropriated has been accomplished. No money appropriated to the department for the purposes of administering the rail service improvement program shall be

deposited in the rail service improvement account nor shall such administrative costs be paid from the account.

Sec. 5. Minnesota Statutes 1988, section 222.50, subdivision 4, is amended to read:

Subd. 4. The commissioner may negotiate and enter into contracts for the purpose of rail line rehabilitation and for the purpose of assisting in the payment of up to 50 percent of the nonfederal share of a rehabilitation project under service improvement and may incorporate funds available from the federal rail service continuation program. The participants in these contracts shall be railroads, rail users and the department, and may be political subdivisions of the state and the federal government. In such contracts, participation by all parties shall be voluntary. The commissioner may provide a portion of the money required to carry out the terms of any such contract by expenditure from the rail service improvement account.

Sec. 6. Minnesota Statutes 1988, section 222.50, subdivision 5, is amended to read:

Subd. 5. In making any contract pursuant to subdivision 4 the commissioner may:

(a) Stipulate minimum operating standards for rail lines designed to achieve reasonable transportation service for shippers and to achieve best use of funds invested in rail line rehabilitation;

(b) Require a portion of the total assistance for improving a rail line to be loaned to the railroad by rail users and require the railroad to reimburse rail users for any loan on the basis of use of the line and the revenues produced when the line has been improved; and

(c) Determine the terms and conditions under which all or any portion of state funds allocated shall be repaid to the department by the railroads. Reimbursement may be made as a portion of the increased revenue derived from the improved rail line. Any reimbursement received by the department pursuant to this clause shall be deposited in the rail service improvement account and shall be appropriated exclusively for rehabilitating other rail lines in the state pursuant to subdivision 4; and

(d) Require, in lieu of reimbursement as provided in clause (c) of this subdivision, that the railroad establish and maintain a separate railroad fund to be used exclusively for rehabilitation of other rail lines in Minnesota, to which a portion of the increase in revenue derived from the improved rail line shall be credited. The terms and conditions for use of money in the fund shall be stipulated in the contract. The contract shall also stipulate a penalty for use of such money in a manner other than as set forth in the contract and

require the railroad to report to the department at such times as the commissioner requires, concerning the disbursement of money from the fund and the general status of rail line improvements.

Sec. 7. Minnesota Statutes 1988, section 222.50, subdivision 7, is amended to read:

Subd. 7. The commissioner may expend money from the rail service improvement account for the following purposes:

(a) To pay interest adjustments on loans guaranteed under the state rail user loan guarantee program;

(b) To pay a portion of the costs of capital improvement projects designed to improve rail service including construction or improvement of short segments of rail line such as side track, team track and connections between existing lines, and construction and improvement of loading, unloading, storage and transfer facilities of a rail user;

(c) To acquire, maintain, manage and dispose of railroad right-of-way pursuant to subdivision 8 and the state rail bank program;

(d) To provide for aerial photography survey of proposed and abandoned railroad tracks for the purpose of recording and reestablishing by analytical triangulation the existing alignment of the in-place track; or

(e) To pay a portion of the costs of acquiring a rail line by a regional railroad authority established pursuant to chapter 398A.

All money derived by the commissioner from the disposition of railroad right-of-way or of any other property acquired pursuant to sections 222.46 to 222.62 shall be deposited in the rail service improvement account.

Sec. 8. Minnesota Statutes 1988, section 222.63, subdivision 8, is amended to read:

Subd. 8. [RAIL BANK MAINTENANCE AND IMPROVEMENT ACCOUNTS.] A special accounts account shall be maintained in the state treasury, designated as the rail bank maintenance account and the rail bank improvement account, to record the receipts and expenditures of the commissioner of transportation for the maintenance and for the acquisition and betterment of rail bank property. Expenditures of proceeds of state transportation bonds and any other amounts appropriated to the commissioner from the state transportation fund shall be recorded in the improvement account. Funds received by the commissioner of transportation from rentals, fees, or charges for the use of rail bank property shall be credited to

the maintenance account and used for the maintenance of that property, and held as a reserve for maintenance expenses in an amount determined by the commissioner, and amounts received in the maintenance account in excess of the reserve requirements shall be transferred to the rail service improvement account. All proceeds of the sale of abandoned rail lines shall be deposited in the rail service improvement account. ~~The improvement account shall be used only for the acquisition and betterment of abandoned rail lines and right-of-way.~~ All money to be deposited in these accounts this rail service improvement account as provided in this subdivision is appropriated to the commissioner of transportation for the purposes of this section. The appropriations shall not lapse but shall be available until the purposes for which the funds are appropriated are accomplished.

Sec. 9. Minnesota Statutes 1988, section 398A.02, is amended to read:

398A.02 [PURPOSE.]

The purpose of the regional railroad authorities act is to provide a means whereby one or more municipalities, with state and federal aids as may be available, may provide for the preservation and improvement of local rail service for agriculture, industry, or passenger traffic and provide for the preservation of abandoned rail right-of-way for future transportation uses, when determined to be practicable and necessary for the public welfare, particularly in the case of abandonment of local rail lines.

Sec. 10. [APPROPRIATION.]

\$250,000 is appropriated for fiscal year 1990 and \$250,000 is appropriated for fiscal year 1991 from the general fund to the commissioner of transportation for the purposes of section 1. If the appropriation for the first year is insufficient, the appropriation for the second year is available in the first year.

Sec. 11. [REPEALER.]

Minnesota Statutes 1988, section 222.50, subdivision 8, is repealed.

Delete the title and insert:

"A bill for an act relating to transportation; clarifying source of funds to be deposited in the rail service improvement account; providing for apportionment of costs for new grade crossings; providing for improvement of existing rail crossings; providing for reimbursement of expenses for maintaining signals and other safety devices; appropriating money; amending Minnesota Statutes 1988,

sections 219.071, subdivision 2; 219.072; 222.49; 222.50, subdivisions 4, 5, and 7; 222.63, subdivision 8; and 398A.02; proposing coding for new law in Minnesota Statutes, chapter 219; repealing Minnesota Statutes 1988, section 222.50, subdivision 8."

With the recommendation that when so amended the bill pass.

The report was adopted.

Long from the Committee on Taxes to which was referred:

H. F. No. 810, A bill for an act relating to natural resources; increasing the amount of levy for the Kanaranzi-Little Rock watershed district administrative fund.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [ADMINISTRATIVE FUND.]

Notwithstanding Minnesota Statutes, section 112.61, subdivision 3, the administrative fund for the Kanaranzi-Little Rock watershed district consists of an ad valorem tax levy not to exceed a net tax capacity rate computed under this section or \$125,000, whichever is less.

The maximum net tax capacity rate applicable under this section shall be determined as follows:

(a) determine the product of the applicable mill rate limitation imposed under Minnesota Statutes, section 112.61, subdivision 3, for taxes payable in 1988, multiplied by the total assessed valuation of all taxable property subject to the tax; and, at the election of the district, as adjusted by the provisions of Minnesota Statutes 1986, sections 272.64; 273.13, subdivision 7a; and 275.49 for that year;

(b) for taxes payable in 1989, determine the product of (1) the property tax levy limitation for the taxes payable in year 1988 determined under clause (a) multiplied by (2) an index for market valuation changes equal to the assessment year 1988 total market valuation of all taxable property subject to the tax divided by the assessment year 1987 total market valuation of all taxable property subject to the tax; and

(c) for taxes payable in 1990 and subsequent years, determine the product of (1) the property tax levy limitation for the previous year determined pursuant to this subdivision multiplied by (2) an index

for market valuation changes equal to the total market valuation of all taxable property subject to the tax for the current assessment year divided by the total market valuation of all taxable property subject to the tax for the previous assessment year.

For the purpose of determining the property tax levy limitation for the taxes payable in year 1988 and subsequent years under this subdivision, "total market valuation" means the total market valuation of all taxable property subject to the tax without valuation adjustments for tax increment financing under sections 469.174 to 469.179, and high voltage transmission lines under section 273.425."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Appropriations 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; 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:

Delete everything after the enacting clause and insert:

"Section 1. [65B.482] [DRIVER OR OWNER TO HAVE AN INSURANCE IDENTIFICATION CARD; DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 2 to 14, the terms defined in this section have the meanings given them.

Subd. 2. [INSURANCE IDENTIFICATION CARD.] "Insurance identification card" means a card issued by an obligor to an insured stating that security as required by section 65B.48 has been provided for the insured's vehicle. The card must also state:

- (1) the insured's name;
- (2) the policy number;
- (3) the policy dates of coverage;
- (4) the make, model, and year of the vehicle being covered;
- (5) the vehicle identification number or at least the last three digits of that number; and
- (6) the name of the obligor providing coverage.

Subd. 3. [WRITTEN STATEMENT.] "Written statement" means a notarized written statement by a licensed insurance agent in a form acceptable to the commissioner of public safety stating that security has been provided for the insured's vehicle and the dates of such coverage.

Subd. 4. [POLICY.] "Policy" means the formal written contract between the insured and the obligor detailing the coverage that has been provided for the insured's vehicle.

Sec. 2. [65B.483] [OBLIGOR TO ISSUE AN INSURANCE IDENTIFICATION CARD.]

Every obligor transacting business in this state shall provide at the time of initiating each motor vehicle liability insurance policy and at the time of renewal, an insurance identification card stating:

- (1) the insured's name;
- (2) the policy number;
- (3) the policy dates of coverage;
- (4) the make, model, and year of the vehicle being covered;
- (5) the vehicle identification number or at least the last three digits of that number; and
- (6) the name of the obligor providing coverage.

When an insured has five or more vehicles registered in this state, the obligor may use the designation "all owned vehicles" on each identification card in lieu of a specified description.

Sec. 3. Minnesota Statutes 1988, section 65B.67, subdivision 2, is amended to read:



Subd. 2. [VIOLATION BY OWNER.] Any owner of a motor vehicle or motorcycle with respect to which security is required under sections 65B.41 to 65B.71 who operates the motor vehicle or motorcycle or permits it to be operated upon a public highway, street or road in this state and who knows or has reason to know that the motor vehicle or motorcycle does not have security complying with the terms of section 65B.48, is guilty of a misdemeanor and shall be sentenced as provided in subdivision 4. A person who violates this subdivision within ten years after having two prior convictions under this section, or a statute or ordinance from another state in conformity therewith, is guilty of a gross misdemeanor.

Sec. 4. Minnesota Statutes 1988, section 65B.67, subdivision 4, is amended to read:

Subd. 4. [PENALTY.] Any operator of a motor vehicle or motorcycle who is convicted under the terms of this section, is guilty of a misdemeanor, and shall be sentenced as provided in section 609.03, clause (3). A person who violates this section within ten years after having two prior convictions under this section, or a statute or ordinance from another state in conformity therewith, is guilty of a gross misdemeanor. The operator of a motor vehicle or motorcycle who violates subdivision 3 and who causes or contributes to causing a motor vehicle or motorcycle accident which results in the death of any person or in great bodily harm to any person, as defined in section 609.02, subdivision 7a, is guilty of a gross misdemeanor. Also, the operator's driver's license shall be revoked for not more than 12 months. If the operator is also an owner of the motor vehicle or motorcycle, the registration of the motor vehicle or motorcycle shall also be revoked for not more than 12 months. Before reinstatement of a driver's license or registration, the operator shall file with the commissioner of public safety the written certificate of an insurance carrier authorized to do business in this state stating that security has been provided by the operator as required by section 65B.48. The commissioner shall include a notice of the penalties contained in this section on all forms for registration of motor vehicles or motorcycles required to maintain a plan of reparation security.

Sec. 5. Minnesota Statutes 1988, section 168.041, is amended by adding a subdivision to read:

Subd. 1a. When an owner is convicted under section 169.791, the court shall require the registration plates of the motor vehicle or motorcycle involved in the violation owned by the person to be surrendered to the court for the longer of the following:

(1) the remainder of the period of revocation to be served under section 169.792; or

(2) until the owner obtains proof of insurance referred to in section

169.792, subdivision 10, satisfactory to the commissioner of public safety, indicating that insurance was in effect at the time of the officer's demand.

Sec. 6. Minnesota Statutes 1988, section 168.041, subdivision 4, is amended to read:

Subd. 4. If the court issues an impoundment order, the registration plates and certificates must be surrendered to the court either three days after the order is issued or on the date specified by the court, whichever date is later. The court shall forward surrendered registration certificates to the registrar of motor vehicles within seven days after their surrender. The court may destroy the surrendered registration plates. Except as provided in subdivision 1a, 4a, 5, 6, or 7, no new registration plates may be issued to the violator or owner until the driver's license of the violator has been reissued or reinstated. The court shall notify the commissioner of public safety within ten days after issuing an impoundment order.

Sec. 7. Minnesota Statutes 1988, section 168.041, subdivision 4a, is amended to read:

Subd. 4a. [ADMINISTRATIVE REVIEW.] At any time during the effective period of an impoundment order, a person may request in writing a review of the impoundment order by the commissioner of public safety. Upon receiving a request, the commissioner or the commissioner's designee shall review the order, the evidence upon which the order was based, and any other material information brought to the attention of the commissioner, and determine whether sufficient cause exists to sustain the order. The commissioner shall report in writing the results of the review within 15 days of receiving the request. The review provided in this subdivision is not subject to the contested case provisions of the administrative procedure act in sections 14.01 to 14.70. As a result of this review, the commissioner may authorize the issuance at no cost of new registration plates and a registration certificate to the owner of the vehicle if the owner's driver's license or driving privileges were not revoked under section 169.121 or 169.123 and the owner was not a passenger in the vehicle at the time of the violation.

Review under this subdivision shall take place, if possible, at the same time as any administrative review of the person's license revocation under section 169.123, subdivision 5b or section 169.792, subdivision 8.

Sec. 8. Minnesota Statutes 1988, section 169.09, subdivision 14, is amended to read:

Subd. 14. [PENALTIES.] (a) The driver of any vehicle who violates subdivision 1 or 6 and who caused the accident is punishable as follows:

(1) if the accident results in the death of any person, the driver is guilty of a felony and may be sentenced to imprisonment for not more than ten years, or to payment of a fine of not more than \$20,000, or both;

(2) if the accident results in great bodily harm to any person, as defined in section 609.02, subdivision 8, the driver is guilty of a felony and may be sentenced to imprisonment for not more than five years, or to payment of a fine of not more than \$10,000, or both; or

(3) if the accident results in substantial bodily harm to any person, as defined in section 609.02, subdivision 7a, the driver is guilty of a felony and may be sentenced to imprisonment for not more than three years, or to payment of a fine of not more than \$5,000, or both.

(b) The driver of any vehicle who violates subdivision 1 or 6 and who did not cause the accident is punishable as follows:

(1) if the accident results in the death of any person, the driver is guilty of a felony and may be sentenced to imprisonment for not more than three years, or to payment of a fine of not more than \$5,000, or both;

(2) if the accident results in great bodily harm to any person, as defined in section 609.02, subdivision 8, the driver is guilty of a felony and may be sentenced to imprisonment for not more than one year and one day, or to payment of a fine of not more than \$3,000, or both; or

(3) if the accident results in substantial bodily harm to any person, as defined in section 609.02, subdivision 7a, the driver may be sentenced to imprisonment for not more than one year, or to payment of a fine of not more than \$3,000, or both.

(c) The driver of any vehicle involved in an accident not resulting in substantial bodily harm or death who violates subdivision 1 or 6 may be sentenced to imprisonment for not more than one year, or to payment of a fine of not more than \$3,000, or both.

(d) Any person who violates subdivision 3, clause (b) is guilty of a petty misdemeanor.

(e) Any person who violates subdivision 2, 3, clause (a), 4, 5, 7, 8, 10, 11, or 12 is guilty of a misdemeanor.

The attorney in the jurisdiction in which the violation occurred who is responsible for prosecution of misdemeanor violations of this section shall also be responsible for prosecution of gross misdemeanor violations of this section.

**Sec. 9. [169.791] [CRIMINAL PENALTY FOR FAILURE TO PRODUCE AN INSURANCE IDENTIFICATION CARD.]**

**Subdivision 1. [REQUIREMENT FOR DRIVER WHETHER OR NOT THE OWNER.]** Every driver shall have in immediate possession at all times when operating a motor vehicle or motorcycle an insurance identification card indicating that insurance covering the vehicle is in effect and shall produce it, upon demand of a peace officer. If the driver is unable to produce the required proof of insurance upon the demand of a peace officer, the driver shall, within 14 days after the demand, produce an insurance identification card, as defined under section 65B.482, subdivision 2, or policy, as defined under section 65B.482, subdivision 4, or a written statement, as defined under section 65B.482, subdivision 3, stating that security had been provided for the vehicle that was being operated at the time of the demand, or the name and address of the owner to the place stated in the notice provided by the officer. The required proof of insurance may be sent by mail by the driver as long as it is received within 14 days. Except as provided in subdivision 2, any driver who fails to produce proof of insurance as required by this section within 14 days of the demand is guilty of a misdemeanor. The peace officer may mail the citation to the address given by the driver or to the address stated on the driver's license, and such service by mail is valid notwithstanding section 629.34. It is not a defense to service that a person failed to notify the department of public safety of a change of name or address as required under section 171.11. The citation may be sent after the 14-day period. A driver who is not the owner of the motor vehicle or motorcycle does not violate this section unless the driver knew or had reason to know that the owner did not have proof of insurance required by this section.

**Subd. 2. [REQUIREMENT FOR DRIVER WHO IS NOT THE OWNER.]** If the driver is not the owner of the vehicle, then the driver shall, within 14 days of the officer's demand, provide the officer with proof of insurance or the name and address of the owner. Any driver under this subdivision who fails to provide proof of insurance or to inform the officer of the name and address of the owner within 14 days of the officer's demand is guilty of a misdemeanor.

**Subd. 3. [REQUIREMENT FOR OWNER WHO IS NOT THE DRIVER.]** The officer may send or provide a notice to the owner of the motor vehicle or motorcycle requiring the owner to produce the insurance identification card or policy for the vehicle that was being operated or a written statement stating that security had been provided for the vehicle that was being operated at the time of the demand. Notice by mail is presumed to be received within five days after mailing and shall be sent to the owner's current address or the address listed on the owner's driver's license. Within 14 days after receipt of the notice, the owner shall produce the required proof of

insurance to the place stated in the notice received by the owner. The required proof of insurance may be sent by mail by the owner as long as it is received within 14 days. Any owner who fails to produce an insurance identification card, policy, or written statement within 14 days of an officer's request is guilty of a misdemeanor. It is an affirmative defense to the owner that the driver used the owner's vehicle without consent or misrepresented his or her insurance coverage to the owner. The peace officer may mail the citation to the owner's current address or address stated on the owner's driver's license. It is not a defense that a person failed to notify the department of public safety of a change of name or address as required under section 171.11. The citation may be sent after the 14-day period.

Subd. 4. [EXEMPTIONS.] Buses or other commercial vehicles operated by the metropolitan transit commission, commercial vehicles required to file proof of insurance pursuant to chapter 221 and school buses as defined in section 171.01, subdivision 21, are exempt from this section.

Subd. 5. [PENALTY.] Any violation of this section is a misdemeanor.

Sec. 10. [169.792] [REVOCATION OF LICENSE FOR FAILURE TO PRODUCE AN INSURANCE IDENTIFICATION CARD.]

Subdivision 1. [IMPLIED CONSENT.] Any driver or owner of a motor vehicle or motorcycle consents, subject to the provisions of this section and section 169.791, to the requirement of having possession of proof of insurance, and to the revocation of the person's license if the driver or owner is unable to produce the required proof of insurance within 14 days of an officer's demand. Any driver of a motor vehicle or motorcycle who is not the owner of the motor vehicle or motorcycle consents, subject to the provisions of this section and section 169.791, to providing to the officer the name and address of the owner of the motor vehicle or motorcycle.

Subd. 2. [REQUIREMENT FOR DRIVER WHETHER OR NOT THE OWNER.] Except as provided in subdivision 3, every driver of a motor vehicle or motorcycle shall, either immediately or within 14 days after the demand of a peace officer, produce an insurance identification card, as defined under section 65B.482, subdivision 2, or policy, as defined under section 65B.482, subdivision 4, or a written statement, as defined under section 65B.482, subdivision 3, stating that security had been provided for the vehicle that was being operated at the time of the demand, to the place stated in the notice provided by the officer. The required proof of insurance may be sent by the driver by mail as long as it is received within 14 days. A driver who is not the owner does not violate this section unless the driver knew or had reason to know that the owner did not have proof of insurance required by this section.

Subd. 3. [REQUIREMENT FOR DRIVER WHO IS NOT THE OWNER.] If the driver is not the owner of the vehicle, then the driver shall within 14 days of the officer's demand provide the officer with proof of insurance or the name and address of the owner.

Subd. 4. [REQUIREMENT FOR OWNER WHO IS NOT THE DRIVER.] The officer may send or provide a notice to the owner requiring the owner to produce the insurance identification card or policy for the vehicle that was being operated or a written statement stating that security had been provided for the vehicle that was being operated at the time of the demand. The notice shall be sent to the owner's current address or the address listed on the owner's driver's license. Within 14 days after receipt of the notice, the owner shall produce the required proof of insurance to the place stated in the notice received by the owner. Notice by mail is presumed to be received within five days after mailing. It is not a defense that a person failed to notify the department of public safety of a change of name or address as required under section 171.11.

Subd. 5. [NOTICE OF REVOCATION.] When an insurance identification card is demanded and none is in possession, the officer shall give the driver written notice as provided herein. If the driver is not the owner and does not produce the required proof of insurance within 14 days of the demand, the officer may send written notice to the owner of the vehicle. The department of public safety shall prescribe a form setting forth the written notice to be provided to the driver or owner. The notice shall specify the place to which the driver or owner must produce the insurance identification card, policy, or written statement. The notice shall also state:

(1) that Minnesota law requires every driver and owner to produce an insurance identification card, policy, or written statement indicating that the vehicle had insurance at the time of an officer's demand within 14 days of the demand, provided, however, that a driver who does not own the vehicle shall provide the name and address of the owner;

(2) that if the driver fails to produce the information within 14 days from the date of demand or if the owner fails to produce the information within 14 days of receipt of the notice from the peace officer, the commissioner of public safety shall revoke the person's driver's license or permit to drive, or nonresident operating privileges. The revocation will be effective beginning 14 days after the date of notification by the officer to the department of public safety. The person's driver's license or permit to drive, or nonresident operating privileges, shall be revoked for the longer of: (i) not less than 30 days, or (ii) until the driver or owner files proof of insurance with the department of public safety satisfactory to the commissioner of public safety;

(3) that any person who displays or causes another to display an

insurance identification card, policy, or written statement, knowing that the insurance is not in force, is guilty of a misdemeanor; and

(4) that any person who alters or makes a fictitious identification card, policy, or written statement, or knowingly displays an altered or fictitious identification card, policy, or written statement, is guilty of a misdemeanor.

Subd. 6. [REPORT TO THE COMMISSIONER OF PUBLIC SAFETY.] If a driver fails to produce a valid insurance identification card, policy, or written statement or name and address of the owner within 14 days of the demand, the officer shall report the failure to the commissioner of public safety and may send a written notice to the owner. If the owner fails to produce a valid insurance identification card, policy, or written statement within 14 days of receipt of the notice, the officer shall report the failure to the commissioner of public safety.

Subd. 7. [LICENSE REVOCATION.] Upon receiving the notification under subdivision 6, the commissioner of public safety shall revoke the person's driver's license or permit to drive, or nonresident operating privileges. The revocation shall be effective beginning 14 days after the date of notification by the officer to the department of public safety. In order to be revoked, notice must have been given or mailed to the person, as provided in this section. The person's driver's license or permit to drive, or nonresident operating privileges, shall be revoked for the longer of: (i) not less than 30 days, or (ii) until the driver or owner files proof of insurance with the department of public safety satisfactory to the commissioner of public safety indicating that insurance was in effect at the time of the officer's demand.

Subd. 8. [ADMINISTRATIVE AND JUDICIAL REVIEW.] At any time during a period of revocation imposed under this section, a driver or owner may request in writing a review of the order of revocation by the commissioner of public safety. Upon receiving a request, the commissioner or the commissioner's designee shall review the order, the evidence upon which the order was based, and any other material information brought to the attention of the commissioner, and determine whether sufficient cause exists to sustain the order. Within 15 days of receiving the request, the commissioner shall send the results of the review in writing to the person requesting the review. The review provided in this subdivision is not subject to the contested case provisions of the administrative procedure act in sections 14.01 to 14.69.

The availability of administrative review for an order of revocation shall have no effect upon the availability of judicial review under section 171.19.

Subd. 9. [NOTICE OF ACTION TO OTHER STATES.] When it

has been finally determined that a nonresident's operating privilege in this state has been revoked or denied, the commissioner of public safety shall give information in writing of the action taken to the official in charge of traffic control or public safety of the state of the person's residence and of any state in which the person has a license.

Subd. 10. [TERMINATION OF REVOCATION PERIOD.] Before reinstatement of a driver's license or permit to drive, or nonresident operating privileges, the driver or owner shall produce an insurance identification card, policy, or written statement indicating that the driver or owner has insurance coverage satisfactory to the commissioner of public safety. The commissioner of public safety may require the insurance identification card provided to satisfy this subdivision be certified by the insurance carrier to be noncancelable for a period not to exceed 12 months. The commissioner of public safety may also require an insurance identification card to be filed with respect to any and all vehicles required to be insured under section 65B.48 and owned by any person whose driving privileges have been revoked as provided in this section before reinstating the person's driver's license.

Subd. 11. [EXEMPTIONS.] Buses or other commercial vehicles operated by the metropolitan transit commission, commercial vehicles required to file proof of insurance pursuant to chapter 221, and school buses as defined in section 171.01, subdivision 21, are exempt from this section.

Sec. 11. [169.793] [UNLAWFUL ACTS.]

Subdivision 1. [ACTS.] It shall be unlawful for any person:

(1) to issue, to display, or cause or permit to be displayed, or have in possession, an insurance identification card, policy, or written statement knowing or having reason to know that the insurance is not in force or is not in force as to the motor vehicle or motorcycle in question;

(2) to alter or make a fictitious insurance identification card, policy, or written statement; and

(3) to display an altered or fictitious insurance identification card, insurance policy, or written statement knowing or having reason to know that the proof has been altered or is fictitious.

Subd. 2. [PENALTY.] Any person who violates any of the provisions of subdivision 1 is guilty of a misdemeanor.

Sec. 12. [169.794] [APPLICATION OF OTHER LAW.]



The provisions of section 45.027 do not apply to license revocations under section 169.792.

Sec. 13. [169.795] [RULES.]

The commissioner of public safety shall adopt rules necessary to implement sections 1 to 15.

Sec. 14. [169.796] [VERIFICATION OF INSURANCE COVERAGE.]

An insurance company shall release information to the department of public safety or the law enforcement authorities necessary to the verification of insurance coverage. 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.

Sec. 15. Minnesota Statutes 1988, section 171.30, subdivision 1, is amended to read:

Subdivision 1. [ISSUANCE.] In any case where a person's license has been suspended under section 171.18 or revoked under section 169.792, 169.121, 169.123, or 171.17, the commissioner may issue a limited license to the driver including under the following conditions:

(1) if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of the driver's license;

(2) if the use of a driver's license by a homemaker is necessary to prevent the substantial disruption of the education, medical, or nutritional needs of the family of the homemaker; or

(3) if attendance at a post-secondary institution of education by an enrolled student of that institution depends upon the use of the driver's license.

The commissioner in issuing a limited license may impose such conditions and limitations as in the commissioner's judgment are necessary to the interests of the public safety and welfare including reexamination as to the driver's qualifications. The license may be limited to the operation of particular vehicles, to particular classes and times of operation and to particular conditions of traffic. The commissioner may require that an applicant for a limited license affirmatively demonstrate that use of public transportation or carpooling as an alternative to a limited license would be a significant hardship.

For purposes of this subdivision, "homemaker" refers to the person primarily performing the domestic tasks in a household of residents consisting of at least the person and the person's dependent child or other dependents.

The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under the limited license shall have the license in possession at all times when operating as a driver.

In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver and shall consider the number of miles driven by the driver annually.

If the person's driver's license or permit to drive, or nonresident operating privileges, have been revoked under section 169.792, the commissioner may only issue a limited license to the person after the person has presented an insurance identification card, policy, or written statement indicating that the driver or owner has insurance coverage satisfactory to the commissioner of public safety. The commissioner of public safety may require the insurance identification card provided to satisfy this subdivision be certified by the insurance company to be noncancelable for a period not to exceed 12 months.

#### Sec. 16. [REPORT.]

The department of public safety, in consultation with the information policy office, shall study the feasibility of computer communication between insurance companies and the department, by which the department is informed of a driver whose insurance is canceled. The department shall report on its study to the legislature.

#### Sec. 17. [REPEALER.]

Minnesota Statutes 1988, section 65B.481, is repealed."

Amend the title accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Appropriations 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 recommendation that the bill pass.

The report was adopted.

Anderson, G., from the Committee on Appropriations to which was referred:

H. F. No. 1443, A bill for an act relating to government operations; regulating purchasing from small businesses; appropriating money; amending Minnesota Statutes 1988, sections 16B.189; 16B.19; 16B.20, subdivision 2; 16B.21; 16B.22; 116J.68, subdivision 1; 136.27; 136.72; 137.31; 161.321, subdivisions 2, 3, and 6; 161.3211; 241.27, subdivision 2; 471.345, subdivision 8; 473.142; 645.445, by adding a subdivision; proposing coding in Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1988, sections 473.406; 645.445, subdivision 5; and Laws 1984, chapter 654, article 2, section 49.

Reported the same back with the following amendments:

Page 2, line 3, after the second "members" insert ", one of which shall be of the minority caucus".

Page 2, line 4, after "members" insert ", one of which shall be of the minority caucus".

Page 2, line 33, delete "emerging" and insert "economically disadvantaged".

Page 4, line 21, delete "emerging" and insert "economically disadvantaged".

Page 5, lines 13, 16, 22, 25, and 30, delete "emerging" and insert "economically disadvantaged".

Page 5, line 36, strike "SET-ASIDE" and insert "SUBCONTRACTS".

Page 6, line 4, strike "shall require that at least" and delete "15"

Page 6, lines 5 to 26, strike the old language and delete the new language

Page 6, line 35, before the period insert "may set goals which require that the prime contractor subcontract a portion of the contract to economically disadvantaged small businesses"

Page 6, line 36, after "\$200,000" insert "on which this subcontracting is required"

Page 7, line 1, after "the" insert "economically disadvantaged"

Page 7, line 9, reinstate the stricken "economically"

Page 7, line 10, reinstate the stricken "disadvantaged"

Page 7, line 15, reinstate the stricken "economically disadvantaged"

Page 7, line 20, after "themselves" insert "economically disadvantaged"

Page 9, lines 7 and 10, delete "emerging" and insert "economically disadvantaged"

Page 9, line 11, reinstate the stricken "and to each category of economically"

Page 9, line 12, reinstate the stricken "disadvantaged"

Page 9, line 13, before the comma, insert "small business"

Page 10, lines 1, 10, 25, and 35, delete "emerging" and insert "economically disadvantaged"

Page 10, line 15, reinstate the stricken "A small business" and after "business" insert "certified as"

Page 10, line 16, reinstate the stricken "economically disadvantaged" and after "disadvantaged" insert "under section 645.445, subdivision 5, clause (1) or (2)," and reinstate the stricken "is"

Page 10, reinstate lines 17 and 18

Page 10, line 19, reinstate the stricken "receipt of the first" and reinstate the stricken "award and after that period is" and after "award" insert "under this program"

Page 10, line 20, reinstate everything through the period

Page 11, delete section 7

Page 11, line 20, delete "emerging" and insert "economically disadvantaged"

Page 11, line 31, strike "those operated by" and reinstate the stricken "economically"

Page 11, line 32, reinstate the stricken "disadvantaged" and delete "emerging"

Page 12, lines 9 and 22, delete "emerging" and insert "economically disadvantaged"

Delete page 12, line 23, to page 13, line 35 and insert:

"Sec. 11. Minnesota Statutes 1988, section 137.31, is amended by adding a subdivision to read:"

Page 14, lines 2, 4, 6, and 10, delete "emerging" and insert "economically disadvantaged"

Page 14, line 5, delete "emerging" and insert "economically disadvantaged"

Page 14, after line 13, insert:

"Sec. 12. Minnesota Statutes 1988, section 137.31, subdivision 4, is amended to read:"

Page 14, delete lines 23 to 29 and insert:

"Sec. 13. Minnesota Statutes 1988, section 137.31, subdivision 6, is amended to read:"

Page 15, lines 12 and 34, delete "emerging" and insert "economically disadvantaged"

Page 15, line 29, reinstate the stricken "two" and delete "..."

Page 15, line 35, delete "emerging" and insert "economically disadvantaged"

Page 16, lines 5, 9, 14, and 22, delete "emerging" and insert "economically disadvantaged"

Page 16, line 15, after the comma, insert "subdivision 5,"

Page 16, line 16, after "eligible" insert "under clause (4)"

Page 17, line 13, delete "emerging" and insert "economically disadvantaged"

Page 18, lines 9 and 34, delete "emerging" and insert "economically disadvantaged"

Page 19, line 7, delete "emerging" and insert "economically disadvantaged"

Page 19, line 23, reinstate the stricken "nine" and delete "..."

Page 19, line 24, after "to" insert "economically disadvantaged"

Page 20, line 1, before the period insert "as defined in section 645.445, clauses (3) to (5)"

Page 20, lines 5, 7, 9, and 14, delete "emerging" and insert "economically disadvantaged"

Page 20, line 10, delete "emerging" and insert "economically disadvantaged"

Page 20, lines 24 and 25, strike "at least"

Page 20, line 25, delete "15" and strike "percent" and insert "a portion"

Page 20, line 26, delete "a" and insert "an economically disadvantaged"

Page 20, line 36, reinstate the stricken "six" and delete "..."

Page 21, lines 2 and 7, before "small" insert "economically disadvantaged"

Page 21, lines 17 and 18, delete "small and emerging" and insert "economically disadvantaged"

Page 21, delete lines 20 to 30 and insert:

"Sec. 21. Minnesota Statutes 1988, section 645.445, subdivision 5, is amended to read:

Subd. 5. "Socially or Economically disadvantaged person business" means a person who business that is not an affiliate or subsidiary of a business dominant in its field of operation and that has been deprived of the opportunity to develop and maintain a competitive position in the economy because of social or economic conditions. This disadvantage may arise from cultural, social or

economic circumstances, or background, physical location A business is economically disadvantaged if:

(1) the person owner resides or is employed in a county in which the median income for married couples is less than 70 percent of the state median income for married couples; or

(2) the owner resides or is employed in an area designated a labor surplus area by the United States Department of Labor; or other similar cause. For purposes of this subdivision, an area designated a labor surplus area retains that status for 120 days after certified small businesses in the area are notified of the termination of the designation by the United States Department of Labor. It includes racial minorities, women, or persons who have suffered a substantial physical disability; or

(3) the owner lacks adequate external support necessary to operate a competitive business enterprise as evidenced by diminished ability to secure long-term or working capital financing; equipment, raw material, or supplier trade credit; bonding and insurance, or if the business has not captured a proportionate share of the market for its goods or services; or

(4) the business filed its first annual federal and state income tax returns which reflected its operation as a business within the preceding five years or will file its first annual return which reflects its operation as a business within the next 12 months; or

(5) for purposes of sections 16B.19 to 16B.22 and 137.31, the definition of "socially or economically disadvantaged person" includes the business is a rehabilitation facilities and facility or work activity programs program."

Page 22, line 6, delete "emerging" and insert "economically disadvantaged"

Page 22, delete lines 20 to 22

Page 22, line 23, delete "(b)" and insert "(1)" and delete "\$75,000" and insert "\$150,000"

Page 22, line 25, delete "(c)" and insert "(2)"

Page 22, line 29, delete "645.445, subdivision 5" and insert "137.31, subdivision 3"

Page 22, line 35, delete "....." and insert "\$150,000"

Page 23, line 4, delete everything after "enactment" and insert

"and apply only to contracts for which notice of invitation to bid or requests for proposals are issued after that time."

Page 23, delete lines 5 to 10

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 6, after "137.31" insert ", subdivisions 4, 6, and by adding a subdivision;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Appropriations to which was referred:

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; and 268.37, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 216B.

Reported the same back with the following amendments:

Pages 9 and 10, delete section 8

Pages 10 and 11, delete sections 11 and 12 and insert:

"Sec. 10. [APPROPRIATION.]

\$22,000 is appropriated from the general fund to the commissioner of public service for the purposes of rulemaking."

Renumber the sections in sequence

Correct internal references



Amend the title as follows:

Page 1, line 7, delete everything after the semicolon

Page 1, line 8, delete everything before "appropriating"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Appropriations to which was referred:

S. F. No. 738, A bill for an act relating to traffic regulations; providing for special permits for vehicles transporting pole-length pulpwood; setting a fee; amending Minnesota Statutes 1988, section 169.86, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 169.

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 534, 601, 622, 773, 777, 782, 810, 1194, 1396, 1443 and 1532 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. No. 738 was read for the second time.

## ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 59:

Kelly, Vellenga, Blatz, Greenfield and Wenzel.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 66:

Quinn; Kostohryz; Anderson, G.; Bennett and Osthoff.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 162:

Skoglund, Burger and Orenstein.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 166:

Lasley, Rodosovich and Henry.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 260:

Trimble, Begich and Seaberg.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 701:

Munger; Johnson, R., and Stanius.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 837:

Carruthers, Marsh and Wagenius.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1160:

Bauerly, McGuire and Omann.

Himle was excused for the remainder of today's session.

### SPECIAL ORDERS

H. F. No. 1636 was reported to the House.

McEachern moved that H. F. No. 1636 be continued on Special Orders. The motion prevailed.

S. F. No. 535 was reported to the House.

Carruthers, Dempsey, Seaberg, Pugh, Quinn, Kelly, Blatz, Bishop and Miller moved to amend S. F. No. 535, as follows:

Page 1, after line 14, insert:

"Section 1. Minnesota Statutes 1988, section 484.74, is amended by adding a subdivision to read:

Subd. 2a. [CONSENSUAL SPECIAL MAGISTRATES.]

In addition to the alternatives under subdivision 1, in cases where the amount in controversy exceeds \$50,000, and with the consent of all of the parties, the presiding judge may submit to the parties a list of retired judges or qualified attorneys who are available to serve as special magistrates for binding proceedings under this subdivision. If the parties agree on selection of a person from the list, the presiding judge may appoint, by order, the person as a special magistrate. The special magistrate may preside over any pretrial and trial matters as determined by the presiding judge. If there is a right to a jury trial, the special magistrate shall conduct the jury trial pursuant to the rules of court and shall use the jury pool of the county in which the action is venued. The presiding judge may adopt the rulings and findings of the special magistrate and the results of any jury trial without modification. The parties have a right to appeal from the presiding judge's rulings and findings and from the jury verdict as in other civil matters.

Subject to chapter 563, the special magistrate's fees and expenses must be borne by the parties on a basis determined to be fair and equitable by the presiding judge, upon recommendation by the special magistrate. The special magistrate may assess costs against a party for failure to comply with rules or orders, or for litigation that is frivolous or brought in bad faith.

Sec. 2. Minnesota Statutes 1988, section 484.74, subdivision 4, is amended to read:

Subd. 4. [APPLICATION.] This section applies only to the fourth judicial district, which will serve as a pilot project to evaluate the effectiveness of alternative forms of resolving commercial and personal injury disputes. The state court administrator shall evaluate the pilot project and report the findings to the chairs of the house and senate judiciary committees by January 15, 1989 1991."

Renumber the remaining sections

Correct internal references

Amend the title as follows:

Page 1, line 10, after "sections" insert "484.74, subdivision 4, and by adding a subdivision;"

The motion prevailed and the amendment was adopted.

S. F. No. 535, A bill for an act relating to real property; abolishing certain residual marital interests in real property; clarifying that the 40-year limitation on actions affecting title to real estate applies to an action based on an option to repurchase or other restrictions on a surface estate; providing for certain certifications; changing effective dates for provisions relating to validation of foreclosure sales; amending Minnesota Statutes 1988, sections 541.023, subdivision 2; 548.181, subdivisions 1, 3, and by adding a subdivision; and 582.27; proposing coding for new law in Minnesota Statutes, chapter 519.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed, as amended, and its title agreed to.

## GENERAL ORDERS

Wynia moved that the bills on General Orders for today be continued. The motion prevailed.

## MOTIONS AND RESOLUTIONS

O'Connor moved that the names of Dawkins, Clark, Tjornhom and Osthoff be added as authors on H. F. No. 535. The motion prevailed.

Munger moved that S. F. No. 262 be recalled from the Committee on Environment and Natural Resources and together with H. F. No. 534, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Anderson, G., moved that S. F. No. 536 be recalled from the Committee on Appropriations and together with H. F. No. 622, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Solberg moved that H. F. No. 1292 be laid on the table. The motion prevailed.

There being no objection, the order of business reverted to Messages from the Senate.

## MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 522, A bill for an act relating to housing; authorizing the establishment of affordable housing programs under the administration of the Minnesota housing finance agency; establishing a neighborhood preservation program; revising certain tenant damage provisions in landlord-tenant actions; regulating tenant screening services; establishing a rent escrow system; providing mandatory building repair fines; authorizing a housing calendar consolidation pilot project in Hennepin and Ramsey counties; requiring housing impact statements; revising certain housing receivership provisions; providing a limited right of entry to secure vacant or unoccupied buildings; providing for city housing rehabilitation loan programs; establishing the community and neighborhood development organization program; establishing a child development program; authorizing a neighborhood revitalization program; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 4.071; 282.01, subdivision 1; 462A.03, by adding a subdivision; 462A.05, subdivision 27, and by adding subdivisions;

462A.21, subdivisions 4k, 12, and by adding subdivisions; 462C.02, by adding subdivisions; 462C.05, by adding a subdivision; 463.15, subdivisions 3 and 4; 463.16; 463.161; 463.17; 463.20; 463.21; 463.22; 469.012, subdivision 1; 504.255; 504.26; 566.17; 566.175, subdivision 1; 566.29, subdivisions 1, 4, and by adding subdivisions; 582.03; Laws 1971, chapter 333, as amended, by adding a section; Laws 1974, chapters 285, sections 2, 3, 4, and by adding a section; and 475, by adding a section; proposing coding for new law in Minnesota Statutes, chapters 116J; 129A; 145; 268; 363; 412; 462A; 469; 471; 504; 566; and 582; repealing Laws 1974, chapter 351, sections 1 to 4, as amended; Laws 1975, chapter 260, sections 1 to 5; and Laws 1987, chapters 384, article 3, section 22; and 386, article 6, sections 4 to 11.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Mr. Pogemiller; Ms. Reichgott; Messrs. Bernhagen, Gustafson and Ms. Berglin.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

O'Connor moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 522. The motion prevailed.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 522:

O'Connor, Osthoff, Dawkins, Boo and Sparby.

#### ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 12:00 noon, Wednesday, May 17, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Wednesday, May 17, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives