

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION — 1990

## EIGHTY-NINTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 12, 1990

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 Monsignor James D. Habiger, House Chaplain.

The roll was called and the following members were present:

Abrams	Girard	Krueger	Onnen	Schreiber
Anderson, G.	Greenfield	Lasley	Orenstein	Seaberg
Anderson, R.	Gruenes	Lieder	Osthoff	Segal
Battaglia	Gutknecht	Limmer	Ostrom	Simoneau
Bauerly	Hartle	Long	Otis	Skoglund
Beard	Haukoos	Lynch	Ozment	Solberg
Begich	Hausman	Macklin	Pappas	Sparby
Bennett	Heap	Marsh	Pauly	Stanius
Bertram	Henry	McEachern	Pellow	Steensma
Bishop	Himle	McGuire	Pelowski	Sviggum
Blatz	Hugoson	McLaughlin	Peterson	Swenson
Boo	Jacobs	McPherson	Poppenhagen	Tjornhom
Brown	Janezich	Milbert	Price	Tompkins
Burger	Jaros	Miller	Pugh	Trimble
Carlson, D.	Jefferson	Morrison	Quinn	Tunheim
Carlson, L.	Jennings	Munger	Redalen	Uphus
Carruthers	Johnson, A.	Murphy	Reding	Valento
Clark	Johnson, R.	Nelson, C.	Rest	Vellenga
Cooper	Johnson, V.	Nelson, K.	Rice	Wagenius
Dauner	Kahn	Neuenschwander	Richter	Waltman
Dawkins	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
Frerichs	Kostohryz	Omann	Scheid	Spk. Vanasek

A quorum was present.

Dempsey, Hasskamp and McDonald were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Lieder moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. No. 1894 and S. F. Nos. 1896, 2060, 1925 and 1894 have been placed in the members' files.

S. F. No. 1894 and H. F. No. 2007, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Price moved that the rules be so far suspended that S. F. No. 1894 be substituted for H. F. No. 2007 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1896 and H. F. No. 1965, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Cooper moved that the rules be so far suspended that S. F. No. 1896 be substituted for H. F. No. 1965 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1925 and H. F. No. 1949, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Winter moved that the rules be so far suspended that S. F. No. 1925 be substituted for H. F. No. 1949 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2060 and H. F. No. 2238, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Lasley moved that the rules be so far suspended that S. F. No. 2060 be substituted for H. F. No. 2238 and that the House File be indefinitely postponed. The motion prevailed.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 1894, 1896, 1925 and 2060 were read for the second time.

**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. 2458, A bill for an act relating to hazardous materials; directing the commissioner of public safety to plan a system for a regional hazardous materials incident response program; establishing an advisory task force.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1730, A bill for an act relating to commerce; requiring seating furniture in public occupancies to meet flammability and labeling standards; proposing coding for new law in Minnesota Statutes, chapter 299F.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1913, A bill for an act relating to commerce; regulating dividends on claims in liquidation proceedings; regulating the lending practices of regulated lenders; specifying the loan fees and charges that may be imposed by regulated lenders; amending Minnesota Statutes 1988, sections 49.24, subdivision 9; 56.131, subdivisions 1, and 2; 56.14; and 325G.22, by adding a subdivision.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 2025, A bill for an act relating to agriculture; creating a restricted seed potato growing area and historic certified seed potato area; providing restrictions; requiring a study; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 21.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 2131, A bill for an act relating to crimes; prohibiting wild land arson fires; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 2480, A bill for an act relating to taxation; making technical corrections and administrative changes to property, sales and use, motor vehicle excise, income, franchise, insurance, petroleum products, pull-tab and tipboard taxes, firefighter state aids, and property tax refunds; making technical corrections and administrative changes to certain aids to local government; including lottery prizes as refunds in the revenue recapture act; providing for posting of certain tax delinquencies; requiring a social security

number on certain probate applications; imposing a tax on untaxed pull-tabs and tipboards; recodifying license inquiry provisions; providing for payment and settlement of state elections campaign funds to political party state committees; transferring certain powers and duties; recodifying and providing for tax administrative, enforcement, and collection procedures; imposing penalties; amending Minnesota Statutes 1988, sections 60A.198, by adding a subdivision; 69.771, subdivision 3; 69.772, subdivision 2a; 69.774, subdivision 1; 116K.04, subdivision 4; 270.65; 270.67, subdivisions 1 and 2; 270.68, subdivisions 1 and 3; 270.69, subdivisions 2, 3, 7, 8, and by adding a subdivision; 270.70, subdivision 1; 270A.03, subdivision 7; 274.01, subdivision 1; 275.54; 287.21, subdivision 2; 290.05, subdivision 4; 290.17, subdivision 5; 290.39, subdivision 5; 290.49, subdivision 3; 290.92, subdivisions 6a, 12, 23, and 24; 290.93, subdivision 1; 290A.03, subdivision 3; 290A.04, subdivision 1; 290A.07, subdivision 3; 290A.19; 296.06, subdivision 2; 296.18, subdivisions 2 and 3; 296.25; 297A.01, subdivision 8; 297A.03, subdivision 2; 297A.041; 297A.14, subdivision 1; 297A.18; 297A.211, subdivision 3; 297A.25, subdivision 31; 297A.255, by adding a subdivision; 297B.035, subdivision 1; 299F.21, subdivision 1; 349.212, by adding a subdivision; 477A.011, by adding a subdivision; 524.3-1001; 524.3-301; Minnesota Statutes 1989 Supplement, sections 38.18; 50.14, subdivision 4; 69.021, subdivision 6; 110.70; 118.12; 163.04, subdivision 3; 163.06, subdivision 6; 165.10, subdivision 1; 168.013, subdivision 5; 168A.10, subdivision 1; 270.06; 270.73, subdivision 1; 270B.07, by adding a subdivision; 272.16; 273.01; 273.11, subdivision 1; 290.39, subdivision 4; 290.92, subdivision 4c; 290.9201, subdivisions 7 and 8; 290.9705, subdivision 4; 297A.17; 365.025, subdivision 4; 368.01, subdivision 23; 368.44; 368.47; 370.01; 383.06; 385.31; 386.34; 412.081, subdivision 1; 412.221, subdivision 2; 430.102, subdivision 2; 465.04; 469.177, subdivision 1a; 471.24; 471.73; 475.58, subdivision 2; 475.73, subdivision 1; 477A.011, subdivision 15; 505.173, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 10A.31, subdivision 5; 60A.15, subdivision 1; 273.13, subdivision 25; 273.1391, subdivision 2; 273.1398, subdivision 1, 2, 5a, and 6; 274.14; 274.175; 275.07, subdivision 3; 275.50, subdivision 5; 275.51, subdivisions 3f, 3h, and 6; 287.29, subdivision 1; 290.17, subdivision 2; 290A.04, subdivisions 2h and 2i; 290A.07, subdivision 2a; 349.212, subdivision 4; 373.40, subdivision 1; 473F.08, subdivision 8a; 477A.012, subdivision 3; 477A.013, subdivision 3; Laws 1989, chapter 28, section 24; and Laws 1989, First Special Session chapter 1, articles 3, section 35; and 9, section 86; proposing coding for new law in Minnesota Statutes, chapters 270 and 289A; repealing Minnesota Statutes 1988, sections 270.08; 270.10, subdivision 4; 270.651; 272.70; 290.05, subdivision 5; 290.067, subdivision 5; 290.23, subdivision 15; 290.281, subdivision 5; 290.29; 290.37, as amended; 290.39, as amended; 290.391; 290.40; 290.41; 290.42; 290.43; 290.44; 290.45; 290.46; 290.47; 290.49; 290.50, as amended; 290.52; 290.521; 290.522; 290.523, as amended; 290.53, subdivisions 1, 1a, 2, 2a, 3, 3a, 4, 5, 7, 8, 9, 10, and 11; 290.54; 290.56; 290.57; 290.58; 290.59; 290.611, subdivision 5; 290.612; 290.65; 290.92, subdivisions 6, 7, 8, 11, 13, 14, 15, and 18; 290.9201, subdivisions 4,

5, 9, and 10; 290.923, subdivision 7; 290.93; 290.931; 290.932; 290.933; 290.934, as amended; 290.935; 290.936; 290.9705, subdivision 2; 290.974; 290A.06; 290A.11, subdivisions 1, 2, 3, and 4; 290A.111; 290A.112, as amended; 290A.12; 291.09; 291.11; 291.131; 291.14; 291.15, subdivisions 1 and 3; 291.215, subdivisions 2 and 3; 291.31, subdivisions 1 and 2; 291.32; 296.027; 296.16, subdivision 3; 296.17, subdivision 13; 296.18, subdivisions 3a and 7; 296.24; 297A.08; 297A.121; 297A.15, subdivision 3; 297A.26, subdivisions 1 and 4; 297A.27; 297A.275; 297A.29; 297A.30; 297A.31; 297A.32; 297A.33, subdivisions 1, 3, 4, and 5; 297A.34; 297A.35; 297A.37; 297A.39, subdivisions 1, 2, 2a, 3, 4, 5, 7, and 8; 297A.40; 297A.41, 297A.42; 297A.431; 297A.44, subdivision 2; Minnesota Statutes 1989 Supplement, sections 290A.11, subdivision 1a; and 297A.20; Minnesota Statutes Second 1989 Supplement, sections 270.77 and 290.38; Minnesota Rules, parts 8052.0100; 8052.0200; and 8130.7800.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 1983, A bill for an act relating to liquor; authorizing the metropolitan airports commission to issue off-sale liquor licenses for the sale of Minnesota wine; amending Minnesota Statutes 1988, section 340A.405, by adding a subdivision.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Bertram and Spear and Mrs. McQuaid.

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

Omann moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 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. 1983. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 1854, A bill for an act relating to government data practices; establishing procedures for computerized comparisons of data; requiring matching agreements; providing for contesting of data; requiring reviews and reports; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 13B.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Peterson, R. W.; Merriam and Knaak.

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

Pugh moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 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. 1854. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 2156, A bill for an act relating to local government; allowing municipalities to enter into certain contracts to reduce energy and operating costs; amending Minnesota Statutes 1988, section 471.345, by adding a subdivision; repealing Minnesota Statutes 1988, section 471.345, subdivision 9.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Pehler, Vickerman and Frederickson, D. J.

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

Simoneau moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 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. 2156. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 1999, A bill for an act relating to agriculture; changing certain duties, procedures, and requirements related to organic food; amending Minnesota Statutes 1988, sections 31.92, by adding subdivisions; 31.94; and 31.95.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Pehler, Davis and Mehrkens.

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

Ogren moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 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. 1999. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 2213, A bill for an act relating to traffic regulations; regulating wheel flaps and covered loads; imposing a penalty; amending Minnesota Statutes 1988, sections 169.733; and 169.81, subdivision 5; and by adding a subdivision.



The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. DeCramer and Purfeerst and Mrs. McQuaid.

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

Olson, K., moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 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. 2213. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 1874, A bill for an act relating to meetings of public bodies; government data practices; defining final disposition of a disciplinary action regarding personnel records; making clear that meetings may not be closed on the basis of data classification statutes; providing an exception to the open meeting law for preliminary discussions concerning allegations of misconduct against government employees or evaluations of government employees; amending Minnesota Statutes 1988, sections 13.43, subdivision 2; and 471.705, by adding subdivisions.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Cohen, Merriam and Knaak.

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

Carruthers moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 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. 1874. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 2108, A bill for an act relating to liquor; regulating the sale of liqueur-filled candy; authorizing municipalities to issue on-sale wine licenses to bed and breakfast facilities; authorizing removal of partially consumed wine bottles from licensed premises; authorizing additional licenses in the cities of Minneapolis, Brooklyn Center, and Duluth; authorizing the issuance of wine and nonintoxicating malt liquor licenses by the city of St. Paul to its parks and recreation division; authorizing the county board of Anoka county to delegate liquor licensing authority to town boards within the county; authorizing the county board of Itasca county to issue an off-sale or combination license within three miles of an incorporated area; providing for the reporting of wine licenses to the commissioner of public safety; eliminating the requirement for a vote on municipal liquor store continuance upon population change; amending Minnesota Statutes 1988, sections 31.121; 340A.101, subdivision 10; 340A.404, subdivisions 3, 5, and by adding a subdivision; 340A.504, subdivision 1; 340A.601, subdivision 2; Minnesota Statutes 1989 Supplement, sections 340A.404, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 340A.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Solon, Spear and Anderson.

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

Jacobs moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 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. 2108. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 2173, A bill for an act relating to the environment; providing assistance to eligible recipients on methods to prevent toxic pollution; providing financial assistance to research and dem-

onstrate alternative means to prevent toxic pollution; requiring facilities to develop plans to prevent toxic pollution; providing for chlorofluorocarbon reduction; requiring an air pollution study; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 116 and 325E; proposing coding for new law as Minnesota Statutes, chapter 115D.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Lessard, Merriam and Frederickson, D. R.

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

Munger moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 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. 2173. The motion prevailed.

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 11, A senate concurrent resolution relating to adjournment for more than three days.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### SUSPENSION OF RULES

Long moved that the rules be so far suspended that Senate Concurrent Resolution No. 11 be now considered and be placed upon its adoption. The motion prevailed.

#### SENATE CONCURRENT RESOLUTION NO. 11

A senate concurrent resolution relating to adjournment for more than three days.

*Be It Resolved*, by the Senate of the State of Minnesota, the House of Representatives concurring:

1. Upon their adjournments on April 12, 1990, the Senate and House of Representatives may each set its next day of meeting for April 17, 1990.

2. Each house consents to adjournment of the other house for more than three days.

Long moved that Senate Concurrent Resolution No. 11 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 11 was adopted.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2178, 1950, 2055, 2248, 576, 1473, 2223, 2375, 1779 and 2490.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2160, 2395, 1674, 1731, 1996, 2037, 2126, 2177 and 2609.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 2178, A bill for an act relating to peace officer education; requiring the POST board and the state higher education boards to study ways of restructuring professional peace officer education programs to include a requirement for a baccalaureate degree; requiring a report to the legislature; increasing the percentage of penalty assessments funds allocated for skills course reimbursement; amending Minnesota Statutes 1988, section 626.86; repealing Minnesota Statutes 1989 Supplement, section 626.861, subdivision 4.

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

S. F. No. 1950, A bill for an act relating to housing; requiring state

interagency coordination on homelessness; providing for treatment of certain obligations upon foreclosure of certain mortgages; appropriating nonrefundable bond allocation deposits to the housing trust fund account; amending Minnesota Statutes 1988, sections 462A.201, subdivision 2; 462C.07, by adding a subdivision; 469.155, by adding a subdivision; and 474A.21; proposing coding for new law in Minnesota Statutes, chapter 462A.

The bill was read for the first time.

Jefferson moved that S. F. No. 1950 and H. F. No. 2283, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2055, A bill for an act relating to appropriations; providing refunds of bond allocation deposits; appropriating money.

The bill was read for the first time.

Kahn moved that S. F. No. 2055 and H. F. No. 2446, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2248, A bill for an act relating to education; entering the Midwestern Higher Education Compact; providing the appointment of members; proposing coding for new law in Minnesota Statutes, chapter 135A.

The bill was read for the first time.

Olson, K., moved that S. F. No. 2248 and H. F. No. 2024, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 576, A bill for an act relating to human services; providing that medical certification for general assistance benefits may be made by a licensed chiropractor; amending Minnesota Statutes 1988, section 256D.02, by adding a subdivision.

The bill was read for the first time.

Jefferson moved that S. F. No. 576 and H. F. No. 274, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1473, A bill for an act relating to the environment;

requiring a report to the legislature on carbon dioxide emissions; appropriating money.

The bill was read for the first time.

Kahn moved that S. F. No. 1473 and H. F. No. 1617, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2223, A bill for an act relating to local government; reauthorizing Ramsey county and the city of St. Paul to issue general obligation bonds to finance the restoration of the concourse of the St. Paul union depot; repealing Minnesota Statutes 1988, section 383A.65, as amended.

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

S. F. No. 2375, A bill for an act relating to workers' compensation; providing for loggers; requiring the commissioner of labor and industry to study issues concerning loggers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 176.

The bill was read for the first time.

Begich moved that S. F. No. 2375 and H. F. No. 2616, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1779, A bill for an act relating to agriculture; providing for mediation and arbitration of certain contract disputes; providing for recapture of capital investments required by certain agricultural contracts; clarifying responsibility of parent companies for affiliates; requiring good faith; prohibiting unfair practices; creating an ombudsman; appropriating money; amending Laws 1989, chapter 350, article 20, section 25; proposing coding for new law in Minnesota Statutes, chapters 17 and 514.

The bill was read for the first time.

Bauerly moved that S. F. No. 1779 and H. F. No. 2060, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2490, A bill for an act relating to workers' compensation; including mentally retarded persons and those with related conditions to the list of registrable conditions for the subsequent disabil-

ity special fund; regulating medical data access; providing for preventative treatment to employees exposed to rabies; regulating notice of insurance coverage and cancellation; amending Minnesota Statutes 1988, sections 176.131, subdivisions 2 and 8; 176.138; 176.185, subdivision 1; Minnesota Statutes 1989 Supplement, section 176.135, subdivision 1.

The bill was read for the first time.

Begich moved that S. F. No. 2490 and H. F. No. 2615, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2160, A bill for an act relating to education; providing for the environmental education act; creating the office of environmental education; proposing coding for new law as Minnesota Statutes, chapter 126A; repealing Minnesota Statutes 1988, sections 116E.01; 116E.02; 116E.03, subdivisions 2, 3, 4, 5, 6, 7, 7a, 8, and 9; and 116E.04; Minnesota Statutes 1989 Supplement, sections 116E.03, subdivision 1; and 116E.035.

The bill was read for the first time.

Nelson, K., moved that S. F. No. 2160 and H. F. No. 2383, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2395, A bill for an act relating to unemployment compensation; making various technical changes; regulating eligibility of conservation corps members and entertainers; increasing the income disregard; regulating eligibility for persons receiving holiday pay; regulating administrative hearings; providing for data sharing; appropriating certain federal money; amending Minnesota Statutes 1988, sections 268.08, subdivision 3; 268.10, subdivision 9; and 268.12, subdivision 13; Minnesota Statutes 1989 Supplement, sections 84.965, subdivision 2; 84.98, subdivision 5; 268.07, subdivision 2; 268.12, subdivision 12; 270B.14, subdivision 8; and 290.92, subdivision 21.

The bill was read for the first time.

Beard moved that S. F. No. 2395 and H. F. No. 2541, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1674, A bill for an act relating to agriculture; providing grasshopper control; authorizing the commissioner to exempt certain lands from grasshopper control; exempting certain persons

from losses relating to grasshopper control; clarifying when public utilities are subject to grasshopper control; providing for notices for control and approval of grasshopper control costs; authorizing levies; appropriating money; amending Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 18; repealing Minnesota Statutes 1989 Supplement, section 18.0226.

The bill was read for the first time.

Nelson, C., moved that S. F. No. 1674 and H. F. No. 1808, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1731, A bill for an act relating to human services; clarifying treatment and assessment requirements under the Minnesota comprehensive mental health acts for adults and children; amending Minnesota Statutes 1988, section 245.467, subdivision 2; Minnesota Statutes 1989 Supplement, sections 245.467, subdivision 3; 245.469; 245.4711, subdivisions 1, 2, and 3; 245.483, subdivision 3; 245.487, subdivisions 2 and 5; 245.4871, subdivision 3; 245.4873, subdivision 2; 245.4874; 245.4875, subdivision 5; 245.4876, subdivisions 2, 3, and 4; 245.4879; 245.4881, subdivisions 1, 2, 3, and 4; 245.4882, subdivision 1; 245.4883, subdivision 1; 245.4885, subdivisions 1 and 2; 245.696, subdivision 2; 245.697, subdivision 2a; 245.73, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 245; repealing Minnesota Statutes 1989 Supplement, sections 245.4711, subdivisions 6, 7, and 8; and 245.4881, subdivisions 6 to 10.

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

S. F. No. 1996, A bill for an act relating to waste management; making several technical changes to the waste management act; establishing a time period for local decision-making on siting of solid waste facilities; establishing time periods for state and metropolitan council approval of county solid waste management plans; clarifying jurisdiction of county plans; clarifying order of funding priority for grants for solid waste management projects; adjusting procedures for the creation of solid waste management districts; increasing the authority of the districts; authorizing counties to set civil penalties by ordinance for violation of designation ordinances; authorizing additional county fees on in-county disposal of out-of-county solid waste; adding procedures and requirements for cities to meet when they organize solid waste collection; changing requirement for certain financial responsibility rules; requiring a municipal debt limit reservation; changing incinerator monitor requirements; requiring a supplementary incinerator ash report;



delaying the date for incinerator ash to be considered special waste; providing waste management training and certification programs; authorizing counties to charge property owners, lessees, and occupants for solid waste management services; authorizing metropolitan counties to charge reasonable rates for solid waste facilities; restricting the authority of certain local governments to prevent establishment, operation, or expansion of solid waste disposal facilities; providing buffer areas around landfill operations; extending the solid waste ash project report; authorizing sanitary districts to use the greater Minnesota landfill cleanup fee; specifying use of the greater Minnesota landfill fee; providing a landfill compliance and financial assurance study; authorizing Winona county to give political subdivisions the authority to accept responsibility for managing their solid waste; amending provisions for forgiving a grant to Winona county; reducing time for metropolitan review of local government solid waste facility siting decisions; repealing the requirement that government agencies use degradable polyethylene bags; requiring certain yard waste composting facilities; changing references; amending Minnesota Statutes 1988, sections 16B.61, subdivision 3a; 115A.03, subdivision 23; 115A.06, subdivisions 2, 5, 5a, 6, 8, 10, 11, 12, and 13; 115A.07, subdivisions 1 and 2; 115A.075; 115A.10; 115A.11, subdivision 1a; 115A.158, subdivision 2; 115A.191, subdivisions 1 and 2; 115A.192, subdivisions 1 and 2; 115A.193; 115A.194, subdivision 2; 115A.411, subdivision 1; 115A.46, subdivision 1, and by adding a subdivision; 115A.49; 115A.53; 115A.54, subdivision 3; 115A.64, subdivisions 2, 4, and 6; 115A.66, subdivision 3; 115A.67; 115A.86, by adding a subdivision; 115A.914; 115A.94, subdivisions 3 and 4; 115A.97, subdivisions 4 and 5; 116.07, subdivision 4h; 325E.045, subdivision 1; 400.08, subdivisions 1 and 3; 473.811, subdivision 3, and by adding a subdivision; 473.823, subdivision 5, and by adding a subdivision; 473.833, by adding a subdivision; 473.845, subdivision 4; 473.846; 475.53, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 115A.14, subdivision 4; 115A.195; 115A.54, subdivision 2a; 115A.84, subdivision 2; 115A.86, subdivision 5; 115A.919; 115B.04, subdivision 4; 116.41, subdivision 2; 116.85; 116C.69, subdivision 3; Minnesota Statutes Second 1989 Supplement, sections 115A.072, subdivisions 1 and 4; 115A.55, subdivision 3; 115A.551, subdivisions 4 and 7; 115A.558; 115A.961, subdivisions 2 and 4; Laws 1987, First Special Session chapter 5, section 1; Laws 1988, chapter 685, section 42; Laws 1989, chapter 325, sections 72, subdivision 2; 75; and 79; and chapter 335, article 1, section 269; proposing coding for new law in Minnesota Statutes, chapter 115A; repealing Minnesota Statutes 1988, sections 115A.09, subdivision 5; 115A.90, subdivision 2; 325E.045, subdivisions 3 and 4; Minnesota Statutes 1989 Supplement, sections 115A.922; 115A.923, subdivisions 2 to 5; 115A.924; 115A.925; 115A.927; 115A.928; and Laws 1987, chapter 348, section 51, subdivision 5.

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

S. F. No. 2037, A bill for an act relating to agriculture; amending the definition of farm products; changing provisions related to wholesale produce dealers; imposing fees; providing for a wholesale dealers' trust; requiring mediation and arbitration in certain produce contracts; providing parent company liability; authorizing seizure of vehicles; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 17.14, subdivision 3; 27.01, subdivisions 2, 5, 8, and by adding a subdivision; 27.03, subdivision 1, and by adding subdivisions; 27.04; 27.041; 27.06; and 27.19; proposing coding for new law in Minnesota Statutes, chapter 27; repealing Minnesota Statutes 1988, section 27.05.

The bill was read for the first time.

Bauerly moved that S. F. No. 2037 and H. F. No. 2061, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2126, A bill for an act relating to health; providing regulations for bulk pesticide storage; amending provisions relating to pesticide registration fees and application fees; requiring permits for sources of irrigation water; requiring a permit for construction of a fertilizer distribution facility; requiring a responsible party to immediately take reasonable action necessary to abate an agricultural chemical incident; requiring certain administrative hearings on contested orders within 14 days; crediting certain agricultural penalties to the pesticide or fertilizer regulatory accounts; amending provisions relating to the registration surcharge and the agricultural chemical response and reimbursement fee; appropriating money from the general fund to be reimbursed with response and reimbursement fees; amending provisions relating to response and reimbursement eligibility; providing commissioner of agriculture authority under chapter 115B for agricultural chemical incidents; clarifying requirements for water well construction and ownership; clarifying provisions for at-grade monitoring wells; establishing reduced isolation distances for facilities with safeguards; clarifying conditions to issue a limited well contractor's license; amending effective dates; amending appropriations; amending Minnesota Statutes 1988, sections 18B.14, subdivision 2; 18B.27, subdivision 3; 18B.28, subdivision 4; 105.37, by adding a subdivision; 105.41, subdivision 4, and by adding a subdivision; 115B.02, subdivisions 3, 4, and by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 18B.26, subdivision 3; 18C.205, subdivision 2; 18C.305, subdivision 1; 18D.103, subdivision 1; 18D.321, subdivision 2; 18E.03, subdivisions 3, 4, 5, and by adding a subdivision; 18E.04, subdivision 1; 103B.3369, subdivision 5; 103I.005, subdivisions 2, 8, 9, 16, and by adding a subdivision; 103I.101, subdivisions 2, 5, and 6; 103I.111, subdivision 5, and by adding a subdivision; 103I.205, subdivisions 1, 2, 4, 5, 6, and 8; 103I.208, subdivision 2; 103I.235; 103I.301, subdivision 3; 103I.311, subdivision 3; 103I.325,

subdivision 2; 103I.525, subdivisions 1, 5, and 6; 103I.531, subdivision 4; 103I.541, subdivision 1, and by adding subdivisions; 103I.681; 103I.685; 103I.691; 103I.705, subdivisions 2 and 3; 105.41, subdivisions 1c and 5a; 115B.20, subdivision 1; 116C.69, subdivision 3; Laws 1989, chapters 326, article 3, section 49; article 6, section 33, subdivision 2; article 8, section 10; and 335, article 1, section 23, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 18D and 103I; repealing Minnesota Statutes 1988, section 115B.17, subdivision 8; Minnesota Statutes 1989 Supplement, sections 103I.005, subdivision 19; 103I.211; 103I.301, subdivision 5; 103I.321; 103I.325, subdivision 1; and 103I.533.

The bill was read for the first time.

Price moved that S. F. No. 2126 and H. F. No. 1948, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2177, A bill for an act relating to traffic safety; providing for administrative impoundment of license plates of vehicles owned by repeat violators of laws relating to driving while intoxicated; providing for issuance of special plates; requiring peace officers to serve a notice of intent to impound when serving a notice of intent to revoke the violator's driver's license; providing for administrative and judicial review of impoundment orders; eliminating the alcohol problem screening for persons convicted of offenses associated with driving under the influence of alcohol or a controlled substance; modifying procedures for chemical use assessments, programs, and funding; changing the maximum rate for reimbursement of counties from the general fund for the assessments; expanding the crime of refusing to submit to an implied consent test; requiring notice of certain enhanced penalties; expanding the crime of aggravated driving while intoxicated; removing requirement that negligence be proven for conviction of criminal vehicular operation if driver's alcohol concentration was 0.10 or more; imposing penalties for criminal vehicular operation resulting in substantial bodily harm; prohibiting constructive possession of alcohol in a private motor vehicle; expanding the definition of possession; changing provisions about aircraft operation while under the influence of alcohol or controlled substances; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 168.041, subdivisions 3, 8, and 10; 169.121, by adding a subdivision; 169.122, subdivision 2; 169.124, subdivision 1; 169.126, subdivisions 1, 2, 6, and by adding a subdivision; 169.129; and 360.015, subdivisions 1 and 6; Minnesota Statutes 1989 Supplement, sections 169.041, subdivision 4; 169.121, subdivisions 1a, 3, and 3b; 169.126, subdivision 4; 260.193, subdivision 8; and 609.21; proposing coding for new law in Minnesota Statutes, chapters 168 and 360; repealing Minnesota Statutes 1988, sections 168.041, subdivision 3a; 169.124, subdivisions 2 and 3; 169.126, subdivisions 2, 3, and 4b; 360.075, subdivi-

sion 7; and 360.0751; Minnesota Statutes 1989 Supplement, sections 168.041, subdivision 4a; and 169.126, subdivision 4a.

The bill was read for the first time.

Rest moved that S. F. No. 2177 and H. F. No. 2420, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2609, A bill for an act relating to the environment; providing for the management and cleanup of tax-forfeited lands; requiring a report by the pollution control agency; authorizing a levy by Lake county; authorizing a purchase of tax-forfeited land and lease of restricted land in St. Louis county; amending Minnesota Statutes 1988, sections 115B.02, subdivision 11; 115B.03, by adding a subdivision; 115C.02, subdivision 8; 115C.021, by adding a subdivision; 116.49, by adding a subdivision; 282.08; and 514.671, subdivisions 2 and 5; proposing coding for new law in Minnesota Statutes, chapter 282.

The bill was read for the first time.

Janezich moved that S. F. No. 2609 and H. F. No. 2786, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

The following Conference Committee Reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 257

A bill for an act relating to state government; regulating markings on state vehicles; eliminating the requirement that certain reports of occupational licensing boards be summarized; eliminating certain prohibitions against state purchase of insurance; regulating state sale of goods and services; regulating certain small business assistance programs; clarifying responsibility for the operation and maintenance of certain buildings; regulating government record keeping; prescribing compensation for certain board members; amending Minnesota Statutes 1988, sections 15.0575, subdivision 3; 15.16; 15.17, subdivision 1; 15.39, subdivision 1; 15A.081, subdivisions 1 and 7; 16A.85, subdivision 2; 16B.06, subdivision 4; 16B.19, subdivision 6; 16B.20, subdivision 2; 16B.22, subdivision 1; 16B.24, subdivisions 1, 5, and 6; 16B.405, subdivision 1; 16B.48; 16B.54, subdivision 2; 138.17, subdivision 1; 214.07, subdivision 2; 214.09, subdivision 3; 473.141, subdivision 3; and 600.135, subdivision 1; repealing Minnesota Statutes 1988, section 15.38.

April 4, 1990

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. 257, 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. 257 be further amended as follows:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

Section 1. Minnesota Statutes 1988, section 175A.01, is amended to read:

##### 175A.01 [CREATION.]

Subdivision 1. [~~ESTABLISHMENT; MEMBERSHIP, APPOINTMENT, QUALIFICATIONS.~~] The workers' compensation court of appeals as previously constituted is reconstituted as an independent agency in the executive branch.

~~The workers' compensation court of appeals shall consist of five judges, each serving in the unclassified service. The five judges shall be learned in the law.~~

Subd. 2. [APPOINTMENT; TERMS; LIMITATION.] Each judge of the workers' compensation court of appeals shall be appointed by the governor, by and with the advice and consent of the senate, for a term of six years commencing at the expiration of the preceding term. Any vacancy shall be filled by the governor for the unexpired term, subject to confirmation by the senate. The terms of the judges shall expire on the first Monday in January of the year in which they expire. The terms of the judges shall be staggered. ~~The judges of the workers' compensation court of appeals as now created shall be the judges of the workers' compensation court of appeals until the expiration of the terms for which they have been appointed and qualified. They shall be selected on the basis of their experience with and knowledge of workers' compensation and the workers' compensation laws of Minnesota.~~

Subd. 3. [QUALIFICATIONS.] To qualify for appointment to the court, a candidate shall be learned in the law, have been licensed to practice law for at least five years, and have experience with and

knowledge of workers' compensation and the workers' compensation laws of Minnesota.

Subd. 4. [STANDARDS OF CONDUCT.] The judges of the workers' compensation court of appeals shall be subject to the provisions of the Minnesota Constitution, article VI, section 6, the jurisdiction of the commission on judicial standards, as provided in sections 490.15 and 490.16, and the provisions of the code of judicial conduct.

Subd. 2 5. [JURISDICTION.] The workers' compensation court of appeals shall have statewide jurisdiction. Except for an appeal to the supreme court or any other appeal allowed under this subdivision, the workers' compensation court of appeals shall be the sole, exclusive, and final authority for the hearing and determination of all questions of law and fact arising under the workers' compensation laws of the state in those cases that have been appealed to the workers' compensation court of appeals and in any case that has been transferred by the district court to the workers' compensation court of appeals. The workers' compensation court of appeals shall have no jurisdiction in any case that does not arise under the workers' compensation laws of the state or in any criminal case, provided that the workers' compensation court of appeals shall exercise appellate jurisdiction under the laws governing employees of the state, a county, or other governmental subdivision who contract tuberculosis and under chapter 352E.

Subd. 3 6. [OATH.] Each judge of the workers' compensation court of appeals before entering upon the duties of office, shall take the oath prescribed by law.

Sec. 2. Minnesota Statutes 1988, section 175A.02, is amended to read:

175A.02 [ADMINISTRATIVE OFFICERS.]

Subdivision 1. [WCCA; CHIEF JUDGE.] The judges of the workers' compensation court of appeals governor shall choose designate a chief judge from among their number the judges. The chief judge shall appoint one of the judges to serve as the administrator, who shall be have overall responsibility for administration of the court, including acting as custodian of the court's files and records and shall coordinate and make coordinator of hearing assignments. The chief judge who is appointed the administrator may delegate the duties of administrator to an employee chosen to be the appoint an assistant administrator to assist the judge in the performance of administrative duties. The chief judge shall also have responsibility for oversight of other judges and court personnel with respect to timely performance of duties in a professional manner.

Subd. 2. [DISTRICT COURTS.] The court administrator of district court in each county shall be the court administrator of the workers'

compensation court of appeals in that county. Filing fees and library fees deposited with the court administrator of district court in the capacity as clerk of the workers' compensation court of appeals and in cases originally commenced in district court and transferred to the workers' compensation court of appeals shall be retained by the court administrator of district court. The workers' compensation court of appeals court administrator in each county shall be subject to the supervision of the administrator chief judge appointed under subdivision 1 in workers' compensation court of appeals matters.

Sec. 3. Minnesota Statutes 1988, section 175A.05, is amended to read:

175A.05 [QUORUM.]

A majority of the judges of the workers' compensation court of appeals shall constitute a quorum for the exercise of the powers conferred and the duties imposed on the workers' compensation court of appeals except that all appeals shall be heard by no more than a panel of three of the five judges unless the appeal case appealed is determined to be of exceptional importance by the chief judge prior to assignment of the case to a panel, or by a four-fifths three-fifths vote of the judges prior to assignment of the case to a panel or after the case has been considered by the panel but prior to the service and filing of the decision. A vacancy shall not impair the ability of the remaining judges of the workers' compensation court of appeals to exercise all the powers and perform all of the duties of the workers' compensation court of appeals.

Sec. 4. Minnesota Statutes 1988, section 175A.07, subdivision 2, is amended to read:

Subd. 2. [PERSONNEL.] The judges chief judge of the workers' compensation court of appeals shall appoint in the manner provided by law all personnel required by the workers' compensation court of appeals; except that, each judge shall appoint the judge's own law clerks. The law clerks are in the unclassified service. The commissioner of administration shall provide the court with necessary additional staff and administrative services, and the court shall reimburse the commissioner for the cost of these services.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective July 1, 1990.

ARTICLE 2

Section 1. Minnesota Statutes 1989 Supplement, section 15.0575, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION.] Members of the boards must be compensated at the rate of \$48 per \$55 a day spent on board activities, when authorized by the board, plus expenses in the same manner and amount as authorized by the commissioner's plan adopted under section 43A.18, subdivision 2. Members who, as a result of time spent attending board meetings, incur child care expenses that would not otherwise have been incurred, may be reimbursed for those expenses upon board authorization. Members who are full-time state employees or full-time employees of the political subdivisions of the state may not receive the \$48 per day daily payment, but they may suffer no loss in compensation or benefits from the state or a political subdivision as a result of their service on the board. Members who are full-time state employees or full-time employees of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source. Members who are state employees or employees of political subdivisions of the state may be reimbursed for child care expenses only for time spent on board activities that are outside their normal working hours.

Sec. 2. Minnesota Statutes 1989 Supplement, section 15.059, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION.] Members of the advisory councils and committees ~~shall~~ must be compensated at the rate of ~~at least \$35 per \$55~~ a day spent on council or committee activities, when authorized by the council or committee, plus expenses in the same manner and amount as authorized by the commissioner's plan adopted ~~pursuant to under~~ section 43A.18, subdivision 2. ~~The state agency that provides funding for the advisory council or committee may authorize compensation of up to \$48 per day spent on council or committee activities.~~ Members who, as a result of time spent attending council or committee meetings, incur child care expenses that would not otherwise have been incurred, may be reimbursed for those expenses upon council or committee authorization. If members who are state employees or employees of political subdivisions receive the daily compensation, and if the major part of their activities occur during normal working hours for which they are also compensated by the state or political subdivision, the employer shall deduct the daily compensation from the employee's compensation for the day. In no other case ~~shall~~ may a member who is an employee of the state or a political subdivision suffer a loss in compensation or benefits from the state or political subdivision as a result of service on the council or committee. Members who are full-time state employees or full-time employees of the political subdivisions of the state may receive the expenses provided for in this section unless the expenses are reimbursed by another source. Members who are state employees or employees of political subdivisions of the state may be reimbursed for child care expenses only for time spent on board activities that are outside their normal working hours.



Sec. 3. Minnesota Statutes 1988, section 15.16, is amended to read:

15.16 [TRANSFER OF LANDS BETWEEN DEPARTMENTS.]

Subdivision 1. [AGREEMENT.] ~~In order To facilitate the transfer of the control of state owned lands between state departments and agencies of government and to avoid the necessity of condemning state lands by a department or agency of government of the state, any a department or agency of the state government of the State of Minnesota may acquire the control of state lands for public purposes from the department or agency of state government having such those lands under its control and supervision, upon such terms and conditions as may be that are mutually agreed upon by the heads of the interested state departments or agencies.~~

Subd. 2. [EXECUTIVE COUNCIL TO DETERMINE TERMS.] ~~In the event If the heads of such the departments or agencies acting under subdivision 1 are unable to agree as to on the terms and conditions of a transfer of control of these state lands, the executive council, upon application of a state department or agency having the power to acquire lands for public purposes, shall determine the terms and conditions and may order the transfer of the control of state lands to the department so or agency requesting the transfer.~~

Subd. 3. [COMMISSIONER OF FINANCE AND TREASURER TO TRANSFER FUNDS.] The commissioner of finance and the state treasurer are hereby authorized and directed to transfer funds between state departments and agencies to effect the terms and conditions to transfer the control of real estate as ~~hereinbefore~~ provided in this section.

Subd. 4. [ATTORNEY GENERAL TO PRESCRIBE FORM OF TRANSFER.] The transfer of control of real estate as ~~hereinbefore~~ provided ~~shall~~ under this section must be made on ~~such~~ transfer documents as prescribed by the attorney general shall prescribe, and ~~all such the transfer documents shall must~~ be permanently filed in the office of the commissioner of finance.

Subd. 5. [OBTAINING RECOMMENDATION.] No control of state-owned lands ~~shall~~ may be transferred between state departments or agencies without the departments or agencies first consulting the chairs of the senate finance committee and house of representatives appropriations committee and obtaining their recommendations. The recommendations shall be are advisory only. Failure to obtain a prompt recommendation ~~shall be is~~ deemed a negative recommendation.

Sec. 4. Minnesota Statutes 1988, section 15.17, subdivision 1, is amended to read:

Subdivision 1. [MUST BE KEPT.] All officers and agencies of the state, counties, cities, towns, school districts, municipal subdivisions or corporations, or other public authorities or political entities within the state, hereinafter "public officer," shall make and preserve all records necessary to a full and accurate knowledge of their official activities. All government records shall be made on a physical medium of a quality to insure permanent records. Every public officer, is empowered to reproduce records if the records are not deemed to be of permanent or archival value by the commissioner of administration and the records disposition panel under section 138.17. The public officer is empowered to reproduce these records by any photographic, photostatic, microphotographic, or optical disk imaging system, microfilming means which produces copies meeting, or other reproduction method that clearly and accurately reproduces the records. If a record is deemed to be of permanent or archival value, any reproduction of the record must meet archival standards specified by the Minnesota historical society and which clearly and accurately reproduces the records. Each public officer may order that those photographs, photostats, microphotographs, microfilms, optical disk images, or other reproductions, be substituted for the originals of them. The public officer may direct the destruction or sale for salvage or other disposition of the originals from which they were made, in accordance with the disposition requirements of section 138.17. Photographs, photostats, microphotographs, microfilms, optical disk images, or other reproductions ~~shall are~~ for all purposes be deemed the original recording of the papers, books, documents, and records reproduced when so ordered by any public officer and ~~shall be~~ are admissible as evidence in all courts and proceedings of every kind. A facsimile or exemplified or certified copy of a photograph, photostat, microphotograph, microfilm, optical disk image, or other reproduction, or an enlargement or reduction of it, shall have has the same effect and weight as evidence as would a certified or exemplified copy of the original.

Sec. 5. Minnesota Statutes 1988, section 15.38, is amended by adding a subdivision to read:

Subd. 8. [AUTHORIZED PURCHASES.] The commissioner of administration may authorize the purchase of insurance on state property that agencies of state government deem necessary and appropriate to protect buildings and contents.

Sec. 6. Minnesota Statutes 1988, section 15.39, subdivision 1, is amended to read:

Subdivision 1. Notwithstanding the provisions of section 15.38, or any other law to the contrary, the commissioner of the department of jobs and training of the state of Minnesota may insure the state of Minnesota purchase insurance against loss by fire, flood, wind-storm, or tornado to state-owned buildings occupied by said the department, ~~in~~ from any insurance companies licensed to do busi-

ness in this state in such an amount as that the commissioner may from time to time determine and to pay premiums therefor for the insurance from federal funds granted for the administration of the department of jobs and training.

Sec. 7. Minnesota Statutes 1988, section 15A.081, subdivision 7, is amended to read:

Subd. 7. [~~PART-TIME METROPOLITAN OFFICERS.~~] The governor shall set the salary rate within the range set forth below for the following ~~part-time~~ positions, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

Effective  
July 1, 1987

Chair, metropolitan airports commission	\$15,000-\$25,000
Chair, metropolitan waste control commission	<del>\$25,000-\$35,000</del> <u>\$25,000-\$67,500</u>

Fringe benefits for unclassified employees of the metropolitan waste control commission shall not exceed those fringe benefits received by unclassified employees of the metropolitan council.

Sec. 8. Minnesota Statutes 1988, section 16A.85, subdivision 2, is amended to read:

Subd. 2. [COVENANTS.] The commissioner of finance may covenant in a master lease that the state will abide by the terms and provisions that are customary in net lease or lease-purchase transactions including, but not limited to, covenants providing that the state:

(1) will maintain ~~rental interruption, liability, and casualty insurance notwithstanding section 15.38~~ as required under the terms of the lease agreement;

(2) is responsible to the lessor for any public liability or property damage claims or costs related to the selection, use, or maintenance of the leased equipment, to the extent of insurance or self-insurance maintained by the lessee, and for costs and expenses incurred by the lessor as a result of any default by the lessee;

(3) authorizes the lessor to exercise the rights of a secured party with respect to the equipment subject to the lease in the event of default by the lessee and, in addition, for the present recovery of lease rentals due during the current term of the lease as liquidated damages.

Sec. 9. Minnesota Statutes 1988, section 16B.06, subdivision 4, is amended to read:

Subd. 4. [SUBJECT TO AUDIT.] A contract or any disbursement of public funds to a provider of services or a grantee, made by or under the supervision of the commissioner, an agency, or any county or unit of local government ~~shall~~ must include, expressly or impliedly, an audit clause that provides that the books, records, documents, and accounting procedures and practices of the contractor or other party, relevant to the contract or transaction are subject to examination by the contracting agency, and either the legislative auditor or the state auditor as appropriate. A state contract made for purchase, lease, or license of software and data from the state is not required to contain that audit clause.

Sec. 10. Minnesota Statutes 1988, section 16B.09, subdivision 5, is amended to read:

Subd. 5. [COOPERATIVE AGREEMENTS.] The commissioner may enter into cooperative purchasing agreements under section 471.59 with cities, counties, towns, school districts, or other political subdivisions or instrumentalities of a governmental unit or any entity that is statutorily authorized to purchase materials and services through state contracts. The commissioner may charge a fee to cover the commissioner's administrative expenses to government units that have joint or cooperative purchasing agreements with the state under section 471.59.

Sec. 11. Minnesota Statutes 1988, section 16B.24, subdivision 1, is amended to read:

Subdivision 1. [OPERATION AND MAINTENANCE OF BUILDINGS.] The commissioner is authorized to maintain and operate the state capitol building and grounds, subject to whatever standards and policies are set for its appearance and cleanliness by the capitol area architectural and planning board and the commissioner ~~pursuant to~~ under section 15.50, subdivision 2, clause (h), and the state office building, the historical society building, the Normandale, Anoka-Ramsey, North Hennepin, Lakewood, Metropolitan, and South East Metropolitan Community Colleges, the economic security buildings in Minneapolis and St. Paul, the state department of health building, and the surplus property building, and their grounds, and, when the commissioner considers it advisable and practicable, any other building or premises owned or rented by the state for the use of a state agency. The commissioner shall assign and reassign office space in the capitol and state buildings to make an equitable division of available space among agencies. The power granted in this subdivision does not apply to state hospitals or to educational, penal, correctional, or other institutions not enumerated in this subdivision the control of which is vested by law in some other agency.

Sec. 12. Minnesota Statutes 1988, section 16B.405, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] ~~To offset the department of administration's software development costs through the sale of products developed,~~ The commissioner may sell or license computer software products or services developed by the commissioner state agencies or custom developed by a vendor, through whatever sales method the commissioner considers appropriate. Prices for the software products or services may be based on market considerations.

Sec. 13. Minnesota Statutes 1988, section 16B.48, as amended by Laws 1989, chapter 335, article 4, section 10, is amended to read:

16B.48 [GENERAL SERVICES AND COMPUTER SERVICES INTERTECHNOLOGIES REVOLVING FUNDS.]

Subdivision 1. [REIMBURSEMENTS.] Fees prescribed pursuant to under section 16B.51, for the rendering of the services provided in that section are deposited in the state treasury by the collecting agency and credited to the general services revolving fund.

Subd. 2. [PURPOSE OF FUNDS.] Money in the state treasury credited to the general services revolving fund and money which that is deposited in the fund is appropriated annually to the commissioner for the following purposes:

- (1) to operate a central store and equipment service;
- (2) to operate a central duplication and printing service;
- (3) to purchase postage and related items and to refund postage deposits as necessary to operate the central mailing service;
- (4) to operate a documents service as prescribed by section 16B.51;
- (5) to provide advice and other services to political subdivisions for the management of their telecommunication systems;
- (6) to provide services for the maintenance, operation, and upkeep of buildings and grounds managed by the commissioner of administration;
- (7) to provide analytical, statistical, and organizational development services to state agencies, local units of government, metropolitan and regional agencies, and school districts;
- (8) to provide capitol security services through the department of public safety; and

(9) to perform services for any other agency. Money ~~shall~~ may be expended for this purpose only when directed by the governor. The agency receiving the services shall reimburse the fund for their cost, and the commissioner shall make the appropriate transfers when requested. The term "services" as used in this clause means compensation paid officers and employees of the state government; supplies, materials, equipment, and other articles and things used by or furnished to an agency; and utility services; and other services for the maintenance, operation, and upkeep of buildings and offices of the state government.

Subd. 3. [~~COMPUTER SERVICES INTERTECHNOLOGIES REVOLVING FUND.~~] Money in the ~~computer services intertechnologies~~ revolving fund is appropriated annually to the commissioner to operate the division of computer information, records, and telecommunications services.

Subd. 4. [REIMBURSEMENTS.] Except as specifically provided otherwise by law, each agency shall reimburse ~~the computer services intertechnologies~~ and general services revolving funds for the cost of all services, supplies, materials, labor, and depreciation of equipment, including reasonable overhead costs, which the commissioner is authorized and directed to furnish an agency. The cost of all publications or other materials produced by the commissioner and financed from the general services revolving fund ~~shall~~ must include reasonable overhead costs. The commissioner of finance ~~shall~~ make appropriate transfers to the revolving funds described in this section when requested by the commissioner of administration. The commissioner of administration may make allotments, encumbrances, and, with the approval of the commissioner of finance, disbursements in anticipation of such transfers. In addition, the commissioner of administration, with the approval of the commissioner of finance, may require an agency to make advance payments to the revolving funds in this section sufficient to cover the agency's estimated obligation for a period of at least 60 days. All ~~such~~ reimbursements and other money received by the commissioner of administration under this section ~~shall~~ must be deposited in the appropriate revolving fund. Any earnings remaining in the fund established to account for the documents service prescribed by section 16B.51 at the end of each fiscal year not otherwise needed for present or future operations, as determined by the commissioners of administration and finance, ~~shall~~ must be transferred to the general fund.

Subd. 5. [LIQUIDATION.] If the ~~computer services intertechnologies~~ or general services revolving fund is abolished or liquidated, the total net profit from the operation of each fund ~~shall~~ must be distributed to the various funds from which purchases were made. The amount to be distributed to each fund ~~shall~~ must bear to ~~such~~ the net profit the same ratio as the total purchases from each fund bears to the total purchases from all the funds during ~~such~~ the same

period of time as shall fairly reflect the amount of net profit each fund is entitled to receive under the distribution required by this section.

Sec. 14. Minnesota Statutes 1989 Supplement, section 16B.54, subdivision 2, is amended to read:

Subd. 2. [VEHICLES.] (a) [ACQUISITION FROM AGENCY; APPROPRIATION.] The commissioner may direct an agency to make a transfer of a passenger motor vehicle or truck ~~presently~~ currently assigned to it. The transfer must be made to the commissioner for use in the central motor pool. The commissioner shall reimburse an agency whose motor vehicles have been paid for with funds dedicated by the constitution for a special purpose and which are assigned to the central motor pool. The amount of reimbursement for a motor vehicle is its average wholesale price as determined from the midwest edition of the national automobile dealers association official used car guide.

(b) [PURCHASE.] To the extent that funds are available for the purpose, the commissioner may purchase or otherwise acquire additional passenger motor vehicles and trucks necessary for the central motor pool. The title to all motor vehicles assigned to or purchased or acquired for the central motor pool is in the name of the department of administration.

(c) [TRANSFER AT AGENCY REQUEST.] On the request of an agency, the commissioner may transfer to the central motor pool any passenger motor vehicle or truck for the purpose of disposing of it. The department or agency transferring the vehicle or truck shall be paid for it from the motor pool revolving account established by this section in an amount equal to two-thirds of the average wholesale price of the vehicle or truck as determined from the midwest edition of the National Automobile Dealers Association official used car guide.

(d) [VEHICLES; MARKING.] The commissioner shall provide for the uniform marking of all motor vehicles. Motor vehicle colors must be selected from the regular color chart provided by the manufacturer each year. The commissioner may further provide by rule for the use of motor vehicles without uniform coloring or marking by the governor, the lieutenant governor, the division of criminal apprehension, division of gambling enforcement, arson investigators of the division of fire marshal in the department of public safety, financial institutions division of the department of commerce, division of state lottery in the department of gaming, the department of revenue, the investigative staff of the department of jobs and training, and the office of the attorney general.

Sec. 15. Minnesota Statutes 1988, section 136.24, subdivision 1, is amended to read:

Subdivision 1. [PROPRIETARY PURCHASES.] Technical educational equipment may be procured for the state universities on request of the state university board either by brand designation or in accordance with standards and specifications the board may promulgate, notwithstanding the provisions competitive bidding requirements of chapter 16B to the contrary. The procurement is still subject to supervision by the office of information systems management under section 16B.41.

Sec. 16. Minnesota Statutes 1988, section 136.622, subdivision 1, is amended to read:

Subdivision 1. [PROPRIETARY PURCHASES.] Technical educational equipment may be procured for the state community colleges on request of the state board for community colleges either by brand designation or in accordance with standards and specifications the board may promulgate, notwithstanding the competitive bidding requirements of chapter 16B. The procurement is still subject to supervision by the office of information systems management under section 16B.41.

Sec. 17. Minnesota Statutes 1988, section 138.17, subdivision 1, is amended to read:

Subdivision 1. [DESTRUCTION, PRESERVATION, REPRODUCTION OF RECORDS; PRIMA FACIE EVIDENCE.] The attorney general, legislative auditor in the case of state records, state auditor in the case of local records, and director of the Minnesota historical society, hereinafter director, shall constitute the records disposition panel. The members of the panel shall have power by unanimous consent to direct the destruction or sale for salvage of government records determined to be no longer of any value, or to direct the disposition by gift to the Minnesota historical society or otherwise of government records determined to be valuable for preservation. The records disposition panel may by unanimous consent order any of those records to be reproduced by photographic or other means, and order that photographic or other reproductions be substituted for the originals of them. It may direct the destruction or sale for salvage or other disposition of the originals from which they were made. Photographic or other reproductions shall for all purposes be deemed the originals of the records reproduced when so ordered by the records disposition panel, and shall be admissible as evidence in all courts and in proceedings of every kind. A facsimile, exemplified or certified copy of a photographic, optical disk imaging, or other reproduction, or an enlargement or reduction of it, shall have the same effect and weight as evidence as would a certified or exemplified copy of the original. The records disposition panel, by unanimous consent, may direct the storage of government records, except as herein provided, and direct the storage of photographic or other reproductions. Photographic or other reproductions substituted for original records shall be disposed of in accordance with the proce-



dures provided for the original records. For the purposes of this chapter: (1) The term "government records" means state and local records, including all cards, correspondence, discs, maps, memoranda, microfilms, papers, photographs, recordings, reports, tapes, writings, optical disks, and other data, information or documentary material, regardless of physical form or characteristics, storage media or conditions of use, made or received by an officer or agency of the state and an officer or agency of a county, city, town, school district, municipal subdivision or corporation or other public authority or political entity within the state pursuant to state law or in connection with the transaction of public business by an officer or agency; (2) The term "state record" means a record of a department, office, officer, commission, commissioner, board or any other agency, however styled or designated, of the executive branch of state government; a record of the state legislature; a record of any court, whether of statewide or local jurisdiction; and any other record designated or treated as a state record under state law; (3) The term "local record" means a record of an agency of a county, city, town, school district, municipal subdivision or corporation or other public authority or political entity; (4) The term "records" excludes data and information that does not become part of an official transaction, library and museum material made or acquired and kept solely for reference or exhibit purposes, extra copies of documents kept only for convenience of reference and stock of publications and processed documents, and bonds, coupons, or other obligations or evidences of indebtedness, the destruction or other disposition of which is governed by other laws; (5) The term "state archives" means those records preserved or appropriate for preservation as evidence of the organization, functions, policies, decisions, procedures, operations or other activities of government or because of the value of the information contained in them, when determined to have sufficient historical or other value to warrant continued preservation by the state of Minnesota and accepted for inclusion in the collections of the Minnesota historical society.

Sec. 18. Minnesota Statutes 1988, section 138.17, is amended by adding a subdivision to read:

Subd. 9. [OPTICAL DISK STANDARDS.] The records disposition panel shall develop standards for storage of all government records on optical disk by January 1, 1991.

Sec. 19. Minnesota Statutes 1988, section 214.07, subdivision 2, is amended to read:

Subd. 2. [SUMMARY OF BOARD REPORTS.] Not later than December 15 of each even-numbered year, the commissioner of health with respect to the health-related licensing boards and the commissioner of administration with respect to the non-health-related boards shall prepare summary reports compiling the information required by subdivision 1, clauses (b) and (g) to (p) and

contained in the reports submitted by the boards the preceding year pursuant to subdivision 1. The summary reports ~~shall~~ must also specify the staff and services provided by the ~~departments~~ department to each board. The summary reports ~~shall~~ must be distributed to the legislature ~~pursuant to~~ under section 3.195 and to the governor.

Sec. 20. Minnesota Statutes 1988, section 214.09, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION.] Members of the boards ~~shall~~ must be compensated at the rate of ~~\$35 per~~ \$55 a day spent on board activities, when authorized by the board, plus expenses in the same manner and amount as authorized by the commissioner's plan adopted ~~according to~~ under section 43A.18, subdivision 2. Members who, as a result of time spent attending board meetings, incur child care expenses that would not otherwise have been incurred, may be reimbursed for those expenses upon board authorization. If members who are full-time state employees or employees of the political subdivisions of the state receive the ~~\$35 per day~~ daily payment, and if the major part of their activities occur during normal working hours for which they are also compensated by the state or political subdivision, the employer shall deduct the ~~\$35 daily~~ payment from the employee's compensation for that day. In no other case ~~shall~~ may a board member who is an employee of the state or political subdivision suffer a loss in compensation or benefits as a result of service on the board. Members who are state employees or employees of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source. Members who are state employees or employees of political subdivisions of the state may be reimbursed for child care expenses only for time spent on board activities that are outside their normal working hours.

Sec. 21. Minnesota Statutes 1988, section 473.141, subdivision 3, is amended to read:

Subd. 3. [CHAIR.] The chair of each agency shall be appointed by the governor with the advice and consent of the senate, shall be the ninth voting member and shall meet all qualifications established for members, except the chair need only reside within the metropolitan area. The council, by resolution after a public meeting on the subject, shall provide the governor with a list of nominees for the position. Senate confirmation is as provided by section 15.066. The chair shall preside at all meetings of the agency, if present, and shall perform all other duties and functions assigned by the agency or by law. The chair is responsible for providing leadership in development policy, coordinating the activities of the agency board, establishing and appointing committees of the board, chairing the internal audit committee, ensuring effective communication between the agency and other governmental entities and the general

public, ensuring that the board is fully informed of the activities of the chief administrator and the agency, ensuring that the chief administrator implements the policies of the board and is held accountable to the board, and evaluating the chief administrator's performance. Each agency may appoint from among its members a vice-chair to act for the chair during temporary absence or disability.

Sec. 22. Minnesota Statutes 1988, section 600.135, subdivision 1, is amended to read:

Subdivision 1. [RECORDS; DESTRUCTION, PHOTOGRAPHIC COPIES.] If any business, institution, member of a profession or calling, or any department or agency of government, in the regular course of business or activity has kept or recorded any memorandum, writing, entry, print, representation or combination thereof, of any act, transaction, occurrence or event, and in the regular course of business has caused any or all of the same to be recorded, copied or reproduced by any photographic, photostatic, microfilm, microcard, miniature photographic, optical disk imaging, or other process which accurately reproduces or forms a durable medium for so reproducing the original, the original may be destroyed in the regular course of business unless held in a custodial or fiduciary capacity or unless its preservation is required by law. Such reproduction, when satisfactorily identified, is as admissible in evidence as the original itself in any judicial or administrative proceeding whether the original is in existence or not and an enlargement or facsimile of such reproduction is likewise admissible in evidence if the original reproduction is in existence and available for inspection under direction of court. The introduction of a reproduced record, enlargement or facsimile, does not preclude admission of the original.

Sec. 23. [APPLICATION.]

Sections 7 and 21 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington and are effective the day following final enactment.

Sec. 24. [REPEALER.]

Minnesota Statutes 1989 Supplement, section 16B.465, subdivision 5, is repealed.

Sec. 25. [EFFECTIVE DATE.]

Sections 15 and 16 are effective July 1, 1990."

Delete the title and insert:

"A bill for an act relating to state government; regulating markings on state vehicles; eliminating the requirement that certain reports of occupational licensing boards be summarized; eliminating certain prohibitions against state purchase of insurance; regulating state sale of goods and services; clarifying responsibility for the operation and maintenance of certain buildings; regulating government record keeping; prescribing compensation for certain board members; amending Minnesota Statutes 1988, sections 15.16; 15.17, subdivision 1; 15.38, by adding a subdivision; 15.39, subdivision 1; 15A.081, subdivision 7; 16A.85, subdivision 2; 16B.06, subdivision 4; 16B.09, subdivision 5; 16B.24, subdivision 1; 16B.405, subdivision 1; 16B.48, as amended; 136.24, subdivision 1; 136.622, subdivision 1; 138.17, subdivision 1, and by adding a subdivision; 175A.01; 175A.02; 175A.05; 175A.07, subdivision 2; 214.07, subdivision 2; 214.09, subdivision 3; 473.141, subdivision 3; and 600.135, subdivision 1; Minnesota Statutes 1989 Supplement, sections 15.0575, subdivision 3; 15.059, subdivision 3; and 16B.54, subdivision 2; repealing Minnesota Statutes 1989 Supplement, section 16B.465, subdivision 5."

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

House Conferees: DIANE WRAY WILLIAMS, BOB JOHNSON, TED WINTER, KATY OLSON AND JOHN BURGER.

Senate Conferees: DONALD M. MOE, GENE WALDORF, DENNIS R. FREDERICKSON, STEVEN MORSE AND BOB DECKER.

Williams moved that the report of the Conference Committee on H. F. No. 257 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

#### POINT OF ORDER

Himle raised a point of order pursuant to rule 6.11, relating to Conference Committees that the Conference Committee report on H. F. No. 257 was not in order.

Pursuant to Section 244 of "Mason's Manual of Legislative Procedure," the Speaker deferred his decision on the Himle point of order.

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1927

A bill for an act relating to traffic regulations; regulating approaches of vehicles to certain intersections; amending Minnesota Statutes 1988, section 169.20, subdivision 1.

April 11, 1990

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. 1927, 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. 1927 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 169.041, subdivision 4, is amended to read:

Subd. 4. [TOWING ALLOWED.] A towing authority may tow a motor vehicle without regard to the four-hour waiting period if:

- (1) the vehicle is parked in violation of snow emergency regulations;
- (2) the vehicle is parked in a rush-hour restricted parking area;
- (3) the vehicle is blocking a driveway, alley, or fire hydrant;
- (4) the vehicle is parked in a bus lane where parking is prohibited;
- (5) the vehicle is parked within 30 feet of a stop sign and visually blocking the stop sign;
- (6) the vehicle is parked in a handicap transfer zone or handicapped parking space without a handicapped parking certificate or handicapped license plates;
- (7) the vehicle is parked in an area that has been posted for temporary restricted parking at least 24 hours in advance;
- (8) the vehicle is parked within the right-of-way of a controlled access highway or within the traveled portion of a public street when travel is allowed there;
- (9) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use by fire, police, public safety, or emergency vehicles;

(10) the vehicle is unlawfully parked on property at the Minneapolis-St. Paul International Airport owned by the metropolitan airports commission;

(11) a law enforcement official has probable cause to believe that the vehicle is stolen, or that the vehicle constitutes or contains evidence of a crime and impoundment is reasonably necessary to obtain or preserve the evidence;

(12) the driver, operator, or person in physical control of the vehicle is taken into custody and the vehicle is impounded for safekeeping; or

(13) a law enforcement official has probable cause to believe that the owner, operator, or person in physical control of the vehicle has failed to respond to five or more citations for parking or traffic offenses; or

(14) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use by taxicabs.

Sec. 2. Minnesota Statutes 1988, section 169.20, subdivision 1, is amended to read:

Subdivision 1. [APPROACHING UNCONTROLLED INTERSECTION.] When two vehicles enter an uncontrolled intersection from different highways at approximately the same time the driver of the vehicle on the left shall yield the right-of-way to the vehicle on the right.

When two vehicles enter an intersection controlled by stop signs or by blinking red traffic signals requiring drivers or vehicles from any direction to stop before proceeding, the driver of the vehicle on the left shall yield the right-of-way to the vehicle on the right.

At an uncontrolled approach to a T-shaped intersection, the driver required to turn shall yield to the cross traffic.

The driver of any vehicle traveling at an unlawful speed shall forfeit any right-of-way which the driver might otherwise have hereunder.

The foregoing rules are modified as hereinafter stated in this section."

Delete the title and insert:

"A bill for an act relating to traffic regulations; allowing immediate towing of vehicles unlawfully parked in taxicab zones; regulat-

ing approaches of vehicles to certain intersections; amending Minnesota Statutes 1988, section 169.20, subdivision 1; Minnesota Statutes 1989 Supplement, section 169.041, subdivision 4."

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

House Conferees: PAUL ANDERS OGREN, CHUCK BROWN AND SYLVESTER UPHUS.

Senate Conferees: FLORIAN CHMIELEWSKI, EARL W. RENNEKE AND ALLAN H. SPEAR.

Ogren moved that the report of the Conference Committee on H. F. No. 1927 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1927, A bill for an act relating to traffic regulations; regulating approaches of vehicles to certain intersections; amending Minnesota Statutes 1988, section 169.20, subdivision 1.

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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Long, from the Committee on Rules and Legislative Administration, pursuant to House Rule No. 1.9, designated the following bill as a Special Order to be acted upon immediately preceding Special Orders pending for today, Thursday, April 12, 1990:

S. F. No. 188.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Long, from the Committee on Rules and Legislative Administration, pursuant to House Rule No. 1.9, designated the following bills as Special Orders to be acted upon immediately following Special Orders pending for today, Thursday, April 12, 1990:

S. F. Nos. 2619, 2092, 2132 and 1725; H. F. No. 1884; S. F. Nos. 2318, 2051 and 1704; H. F. Nos. 2541 and 1815; S. F. Nos. 2493, 1940 and 838; H. F. Nos. 2060 and 2061; S. F. Nos. 2424, 2282, 1852, 1869 and 2054; H. F. Nos. 2023, 2383, 2420, 2323 and 2024; S. F. Nos. 2158 and 1081; H. F. No. 1898; S. F. No. 1162; H. F. Nos. 2238 and 2446; S. F. No. 1499; H. F. No. 2283; S. F. Nos. 1798 and 1903; H. F. No. 2721; S. F. No. 1758; and H. F. No. 2817.

**SPECIAL ORDERS**

S. F. No. 188 was reported to the House.

Rice, Osthoff and Bishop moved to amend S. F. No. 188, the unofficial engrossment, as follows:

Page 28, after line 11, insert:

**"ARTICLE 3**

Section 1. Minnesota Statutes 1988, section 47.205, is amended by adding a subdivision to read:



Subd. 5. [RESPONSIBILITY FOR FEES.] If the servicing of a mortgage loan is sold or assigned to another person, the purchasing lender shall be required to pay any filing fee imposed to evidence the sale or assignment of the loan on any instrument affecting title to real property that secures the loan and shall notify the mortgagor of this fact."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 188, A bill for an act relating to commerce; requiring mortgage lenders and mortgage brokers to obtain a license from the commissioner of commerce; requiring certain disclosures by mortgage lenders and mortgage brokers; prohibiting certain practices by mortgage lenders and mortgage brokers; appropriating money; amending Minnesota Statutes 1988, sections 82.17, subdivision 4; and 82.18; proposing coding for new law as Minnesota Statutes, chapter 57; repealing Minnesota Statutes 1988, section 82.175.

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 121 yeas and 6 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Girard	Hugoson	Valento
Gruenes	Redalen	Waltman

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

S. F. No. 1831, A bill for an act relating to health and human services; stating policy and requiring a plan relating to rules and regulations affecting services to persons with mental retardation and related conditions; proposing coding for new law in Minnesota Statutes, chapter 245A.

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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Krueger	Onnen	Schreiber
Anderson, G.	Greenfield	Lasley	Orenstein	Seaberg
Anderson, R.	Gruenes	Lieder	Osthoff	Segal
Battaglia	Gutknecht	Limmer	Ostrom	Simoneau
Bauerly	Hartle	Long	Otis	Skoglund
Beard	Haukoos	Lynch	Ozment	Solberg
Begich	Hausman	Macklin	Pappas	Sparby
Bennett	Heap	Marsh	Pauly	Stanis
Bertram	Henry	McEachern	Pellow	Steensma
Bishop	Himle	McGuire	Pelowski	Swiggum
Blatz	Hugoson	McLaughlin	Peterson	Swenson
Boo	Jacobs	McPherson	Poppenhagen	Tjornhom
Brown	Janezich	Milbert	Price	Tompkins
Burger	Jaros	Miller	Pugh	Trimble
Carlson, D.	Jefferson	Morrison	Quinn	Tunheim
Carlson, L.	Jennings	Munger	Redalen	Uphus
Carruthers	Johnson, A.	Murphy	Reding	Valento
Clark	Johnson, R.	Nelson, C.	Rest	Vellenga
Cooper	Johnson, V.	Nelson, K.	Rice	Wagenius
Dauner	Kahn	Neuenschwander	Richter	Waltman
Dawkins	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
Frerichs	Kostohryz	Omann	Scheid	Spk. Vanasek

The bill was passed and its title agreed to.

S. F. No. 2349 was reported to the House.

Simoneau moved to amend S. F. No. 2349, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 65B.49, subdivision 3a, is amended to read:

Subd. 3a. [UNINSURED AND UNDERINSURED MOTORIST COVERAGES.] (1) No plan of reparation security may be renewed, delivered or issued for delivery, or executed in this state with respect to any motor vehicle registered or principally garaged in this state unless separate uninsured and underinsured motorist coverages are provided therein. Each coverage, at a minimum, must provide limits of \$25,000 because of injury to or the death of one person in any accident and \$50,000 because of injury to or the death of two or more persons in any accident. In the case of injury to, or the death of, two or more persons in any accident, the amount available to any one person must not exceed the coverage limit provided for injury to, or the death of, one person in any accident.

(2) Every owner of a motor vehicle registered or principally garaged in this state shall maintain uninsured and underinsured motorist coverages as provided in this subdivision.

(3) No reparation obligor is required to provide limits of uninsured and underinsured motorist coverages in excess of the bodily injury liability limit provided by the applicable plan of reparation security.

(4) No recovery shall be permitted under the uninsured and underinsured motorist coverages of this section for basic economic loss benefits paid or payable, or which would be payable but for any applicable deductible.

(5) If at the time of the accident the injured person is occupying a motor vehicle, the limit of liability for uninsured and underinsured motorist coverages available to the injured person is the limit specified for that motor vehicle. However, if the injured person is occupying a motor vehicle of which the injured person is not an insured, the injured person may be entitled to excess insurance protection afforded by a policy in which the injured party is otherwise insured. The excess insurance protection is limited to the extent of covered damages sustained, and further is available only to the extent by which the limit of liability for like coverage applicable to any one motor vehicle listed on the automobile insurance policy of which the injured person is an insured exceeds the limit of liability of the coverage available to the injured person from the occupied motor vehicle.

If at the time of the accident the injured person is not occupying a motor vehicle or motorcycle, the injured person is entitled to select any one limit of liability for any one vehicle afforded by a policy under which the injured person is insured.

(6) Regardless of the number of policies involved, vehicles involved, persons covered, claims made, vehicles or premiums shown on the policy, or premiums paid, in no event shall the limit of liability for uninsured and underinsured motorist coverages for two or more motor vehicles be added together to determine the limit of

insurance coverage available to an injured person for any one accident.

(7) The uninsured and underinsured motorist coverages required by this subdivision do not apply to bodily injury of the insured while occupying a motor vehicle owned by the insured, unless the occupied vehicle is an insured motor vehicle.

(8) The uninsured and underinsured motorist coverages required by this subdivision do not apply to bodily injury of the insured while occupying a motorcycle owned by the insured.

Sec. 2. [EFFECTIVE DATE; APPLICABILITY.]

Section 1 is effective August 1, 1990, and applies to all contracts issued or renewed on or after that date and all injuries occurring on or after that date."

The motion prevailed and the amendment was adopted.

S. F. No. 2349, A bill for an act relating to insurance; no-fault automobile; regulating uninsured and underinsured motorist coverages for motorcycles; amending Minnesota Statutes 1989 Supplement, section 65B.49, subdivision 3a.

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 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

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

Those who voted in the negative were:

Olson, K.

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

S. F. No. 2483, A bill for an act relating to corporations; clarifying and modifying provisions relating to the organization and operation of nonprofit corporations; amending Minnesota Statutes 1989 Supplement, sections 317A.011, subdivision 15; 317A.021, subdivisions 1, 2, 4, and 7; 317A.111, subdivisions 3 and 4; 317A.115, subdivision 2; 317A.133, subdivisions 1, 2, 3, and 4; 317A.181, subdivision 2; 317A.201; 317A.205; 317A.207, subdivision 1; 317A.213; 317A.225; 317A.237; 317A.251, subdivision 3; 317A.301; 317A.311; 317A.321; 317A.341, subdivision 2; 317A.401, subdivision 4; 317A.403; 317A.431; 317A.435, subdivision 2; 317A.443, subdivision 1; 317A.453, subdivision 3; 317A.455, subdivision 3; 317A.615, subdivision 1; 317A.711, subdivision 2; 317A.735, subdivisions 1 and 2; 317A.811, subdivisions 1, 4, and 6; 317A.821, subdivisions 1 and 2; 317A.823, subdivisions 2 and 3; and 354A.021, 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

McEachern	Olson, E.	Poppenhagen	Scheid	Tunheim
McGuire	Olson, K.	Price	Schreiber	Uphus
McLaughlin	Omamm	Pugh	Seaberg	Valento
McPherson	Onnen	Quinn	Segal	Vellenga
Milbert	Orenstein	Redalen	Simoneau	Wagenius
Miller	Osthoff	Reding	Skoglund	Waltman
Munger	Ostrom	Rest	Sparby	Weaver
Murphy	Otis	Rice	Stanisus	Welle
Nelson, C.	Ozment	Richter	Steenasma	Wenzel
Nelson, K.	Pappas	Rodosovich	Swiggun	Williams
Neuenschwander	Pauly	Rukavina	Swenson	Winter
O'Connor	Pellow	Runbeck	Tjornhom	Spk. Vanasek
Ogren	Pelowski	Sarna	Tompkins	
Olsen, S.	Peterson	Schafer	Trimble	

The bill was passed and its title agreed to.

S. F. No. 2208 was reported to the House.

Kelly moved to amend S. F. No. 2208, as follows:

Page 4, after line 8, insert:

"Sec. 3. Minnesota Statutes 1989 Supplement, section 299A.34, subdivision 1, is amended to read:

Subdivision 1. [GRANT PROGRAMS.] (a) The commissioner shall develop grant programs to:

(1) assist law enforcement agencies in purchasing equipment, provide undercover buy money, and pay other nonpersonnel costs; and

(2) assist community and neighborhood organizations in efforts to prevent or reduce criminal activities in their areas, particularly activities involving youth and the use and sale of drugs.

(b) The commissioner shall by rule prescribe criteria for eligibility and the award of grants and reporting requirements for recipients.

Sec. 4. Minnesota Statutes 1989 Supplement, section 299A.35, subdivision 2, is amended to read:

Subd. 2. [GRANT PROCEDURE.] A local unit of government or a nonprofit community-based entity may apply for a grant by submitting an application with the commissioner. The applicant shall specify the following in its application:

(1) a description of each program for which funding is sought;

(2) the amount of funding to be provided to the program;

(3) the geographical area to be served by the program; and

(4) statistical information as to the number of arrests in the geographical area for violent crimes and for crimes involving schedule I and II controlled substances. "Violent crime" includes a violation of or an attempt or conspiracy to violate any of the following laws: sections 609.185; 609.19; 609.195; 609.20; 609.205; 609.21; 609.221; 609.222; 609.223; 609.228; 609.235; 609.24; 609.245; 609.25; 609.255; 609.2661; 609.2662; 609.2663; 609.2664; 609.2665; 609.267; 609.2671; 609.268; 609.342; 609.343; 609.344; 609.345; 609.498, subdivision 1; 609.561; 609.562; 609.582, subdivision 1; 609.687; and any provision of chapter 152 that is punishable by a maximum term of imprisonment greater than ten years.

The commissioner shall give priority to funding programs in the geographical areas that have the highest crime rates, as measured by the data supplied under clause (4), and that demonstrate substantial involvement by members of the community served by the program. The maximum amount that may be awarded to an applicant is ~~\$25,000~~ \$50,000.

Sec. 5. Minnesota Statutes 1989 Supplement, section 299C.155, subdivision 2, is amended to read:

Subd. 2. [UNIFORM EVIDENCE COLLECTION.] The bureau shall develop uniform procedures and protocols for collecting evidence in cases of alleged or suspected criminal sexual conduct, including procedures and protocols for the collection and preservation of human biological specimens for DNA analysis. Law enforcement agencies and medical personnel who conduct evidentiary exams shall use the uniform procedures and protocols in their investigation of criminal sexual conduct offenses. The uniform procedures and protocols developed under this subdivision are not subject to the rulemaking provisions of chapter 14.

Sec. 6. Minnesota Statutes 1989 Supplement, section 299C.155, subdivision 3, is amended to read:

Subd. 3. [DNA ANALYSIS AND DATA BANK.] The bureau shall adopt uniform procedures and protocols to maintain, preserve, and analyze human biological specimens for DNA. The bureau shall establish a centralized system to cross-reference data obtained from DNA analysis. The uniform procedures and protocols developed under this subdivision are not subject to the rulemaking provisions of chapter 14."

Page 6, after line 11, insert:

"Sec. 9. Minnesota Statutes 1989 Supplement, section 609.5315, subdivision 5, is amended to read:

Subd. 5. [DISTRIBUTION OF MONEY.] Seventy percent of The money or proceeds from the sale of forfeited property, after payment of seizure, storage, forfeiture, and sale expenses, and satisfaction of valid liens against the property, must be distributed as follows:

(1) 70 percent of the money or proceeds must be forwarded to the appropriate agency for deposit to the general fund, and as a supplement to the agency's operating fund or similar fund for use in law enforcement;

(2) 20 percent of the money or proceeds must be forwarded to the county attorney or other prosecuting agency that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes; and

(3) the remaining ten percent of the money or proceeds must be forwarded within 60 days after resolution of the forfeiture to the state treasury and credited to the general fund. Any local police relief association organized under chapter 423, which received or was entitled to receive the proceeds of any sale made under this section before the effective date of Laws 1988, chapter 665, sections 1 to 17, shall continue to receive and retain the proceeds of these sales."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

#### POINT OF ORDER

Kahn raised a point of order pursuant to rule 3.9 that the Kelly amendment was not in order. The Speaker ruled the point of order not well taken and the amendment in order.

The question recurred on the Kelly amendment to S. F. No. 2208. The motion prevailed and the amendment was adopted.

S. F. No. 2208, A bill for an act relating to crimes; providing that it is a prima facie case for reference for prosecution as an adult if a child is alleged to have committed a felony offense as part of, or subsequent to, the delinquent act of escape from confinement to a local juvenile correctional facility; making it a crime for an alleged or adjudicated juvenile delinquent who is 18 years old to escape from a local juvenile correctional facility; amending Minnesota Statutes 1988, sections 260.015, subdivision 5; and 609.485, subdivisions 2



and 4; and Minnesota Statutes 1989 Supplement, section 260.125, subdivision 3.

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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

S. F. No. 1827 was reported to the House.

Orenstein moved that S. F. No. 1827 be continued on Special Orders. The motion prevailed.

S. F. No. 409 was reported to the House.

Simoneau moved that S. F. No. 409 be continued on Special Orders. The motion prevailed.

H. F. No. 2304, A bill for an act relating to state government; increasing the time limit for rental of state property; authorizing payment to tenants for capital improvements under certain circum-

stances; amending Minnesota Statutes 1988, section 16B.24, subdivision 5.

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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

The Conference Committee Report on H. F. No. 257, which was printed earlier today, was again reported to the House.

Himle withdrew his pending point of order pursuant to rule 6.11 relating to the Conference Committee Report on H. F. No. 257.

H. F. No. 257, A bill for an act relating to state government; regulating markings on state vehicles; eliminating the requirement that certain reports of occupational licensing boards be summarized; eliminating certain prohibitions against state purchase of insurance; regulating state sale of goods and services; regulating certain small business assistance programs; clarifying responsibility for the operation and maintenance of certain buildings; regulating government record keeping; prescribing compensation for certain board members; amending Minnesota Statutes 1988, sections 15.0575, subdivision 3; 15.16; 15.17, subdivision 1; 15.39, subdivision 1;

15A.081, subdivisions 1 and 7; 16A.85, subdivision 2; 16B.06, subdivision 4; 16B.19, subdivision 6; 16B.20, subdivision 2; 16B.22, subdivision 1; 16B.24, subdivisions 1, 5, and 6; 16B.405, subdivision 1; 16B.48; 16B.54, subdivision 2; 138.17, subdivision 1; 214.07, subdivision 2; 214.09, subdivision 3; 473.141, subdivision 3; and 600.135, subdivision 1; repealing Minnesota Statutes 1988, section 15.38.

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 102 yeas and 23 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frederick	Lieder	Ozment	Skoglund
Anderson, R.	Frerichs	Long	Pappas	Solberg
Battaglia	Girard	Lynch	Pauly	Sparby
Bauerly	Greenfield	Macklin	Pellow	Steensma
Beard	Hartle	McEachern	Pelowski	Tompkins
Begich	Hausman	McGuire	Peterson	Trimble
Bennett	Henry	McLaughlin	Price	Tunheim
Bertram	Jacobs	Morrison	Pugh	Uphus
Blatz	Jaros	Munger	Quinn	Valento
Boo	Jefferson	Murphy	Redalen	Vellenga
Brown	Jennings	Nelson, C.	Reding	Wagenius
Burger	Johnson, A.	Nelson, K.	Rest	Waltman
Carlson, D.	Johnson, R.	Neuenschwander	Richter	Weaver
Carlson, L.	Johnson, V.	O'Connor	Rodosovich	Welle
Carruthers	Kahn	Ogren	Rukavina	Wenzel
Clark	Kalis	Olson, E.	Sarna	Williams
Cooper	Kelly	Olson, K.	Schafer	Winter
Dauner	Kelso	Omamm	Scheid	Spk. Vanasek
Dawkins	Kostohryz	Orenstein	Seaberg	
Dille	Krueger	Ostrom	Segal	
Dorn	Lasley	Otis	Simoneau	

Those who voted in the negative were:

Abrams	Heap	McPherson	Osthoff	Sviggum
Forsythe	Himle	Milbert	Poppenhagen	Swenson
Gruenes	Hugoson	Miller	Runbeck	Tjornhom
Gutknecht	Knickerbocker	Olsen, S.	Schreiber	
Haukoos	Limmer	Onnen	Stanius	

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

The following Conference Committee Report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 796

A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public waters in Pine county.

April 10, 1990

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. 796, 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. 796 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1989 Supplement, section 176.135, subdivision 1, is amended to read:

Subdivision 1. [MEDICAL, PSYCHOLOGICAL, CHIROPRACTIC, PODIATRIC, SURGICAL, HOSPITAL.] (a) The employer shall furnish any medical, psychological, chiropractic, podiatric, surgical and hospital treatment, including nursing, medicines, medical, chiropractic, podiatric, and surgical supplies, crutches and apparatus, including artificial members, or, at the option of the employee, if the employer has not filed notice as hereinafter provided, Christian Science treatment in lieu of medical treatment, chiropractic medicine and medical supplies, as may reasonably be required at the time of the injury and any time thereafter to cure and relieve from the effects of the injury. This treatment shall include treatments necessary to physical rehabilitation. Exposure to rabies is an injury and an employer shall furnish preventive treatment to employees exposed to rabies. The employer shall furnish replacement or repair for artificial members, glasses, or spectacles, artificial eyes, podiatric orthotics, dental bridge work, dentures or artificial teeth, hearing aids, canes, crutches, or wheel chairs damaged by reason of an injury arising out of and in the course of the employment. In case of the employer's inability or refusal seasonably to do so the employer is liable for the reasonable expense incurred by or on behalf of the employee in providing the same, including costs of copies of any medical records or medical reports that are in existence, obtained from health care providers, and that directly relate to the items for which payment is sought under this chapter, limited to the charges allowed by subdivision 7, and attorney fees incurred by the employee. No action to recover the cost of copies may be brought until the commissioner adopts a schedule of reasonable charges under subdivision 7. Attorney's fees shall be determined on an hourly basis according to the criteria in section 176.081, subdivision 5. The employer shall pay for the reasonable value of nursing services by a

member of the employee's family in cases of permanent total disability.

(b) Both the commissioner and the compensation judges have authority to make determinations under this section in accordance with sections 176.106 and 176.305."

Delete the title and insert:

"A bill for an act relating to workers' compensation; providing coverage for preventive rabies treatment; amending Minnesota Statutes 1989 Supplement, section 176.135, subdivision 1."

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

House Conferees: DOUG CARLSON, PAUL ANDERS OGREN AND TOM RUKAVINA.

Senate Conferees: FLORIAN CHMIELEWSKI AND JIM GUSTAFSON.

Carlson, D., moved that the report of the Conference Committee on H. F. No. 796 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 796, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public waters in Pine county.

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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Carlson, L.	Hartle	Kahn	McGuire
Anderson, G.	Carruthers	Haukoos	Kalis	McLaughlin
Anderson, R.	Clark	Hausman	Kelly	McPherson
Battaglia	Cooper	Heap	Kelso	Milbert
Bauerly	Dauner	Henry	Kinkel	Miller
Beard	Dawkins	Himle	Knickerbocker	Morrison
Begich	Dille	Hugoson	Kostohryz	Munger
Bennett	Dorn	Jacobs	Krueger	Murphy
Bertram	Forsythe	Janezich	Lasley	Nelson, C.
Bishop	Frederick	Jaros	Lieder	Nelson, K.
Blatz	Frerichs	Jefferson	Limmer	Neuenschwander
Boo	Girard	Jennings	Long	O'Connor
Brown	Greenfield	Johnson, A.	Lynch	Ogren
Burger	Gruenes	Johnson, R.	Marsh	Olsen, S.
Carlson, D.	Gutknecht	Johnson, V.	McEachern	Olsen, E.

Olson, K.	Pelowski	Rodosovich	Solberg	Vellenga
Omamm	Peterson	Rukavina	Stanisus	Wagenius
Onnen	Poppenhagen	Rumbeck	Steensma	Waltman
Orenstein	Price	Sarna	Sviggrum	Weaver
Osthoff	Pugh	Schafer	Swenson	Welle
Ostrom	Quinn	Scheid	Tjornhom	Wenzel
Otis	Redalen	Schreiber	Tompkins	Williams
Ozmet	Reding	Seaberg	Trimble	Winter
Pappas	Rest	Segal	Tunheim	Spk. Vanasek
Pauly	Rice	Simoneau	Uphus	
Pellow	Richter	Skoglund	Valento	

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

### SPECIAL ORDERS, Continued

The Speaker called Redalen to the Chair.

S. F. No. 1777 was reported to the House.

Kostohryz moved to amend S. F. No. 1777, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 383A.553, subdivision 1, is amended to read:

Subdivision 1. [TERMS.] Members of the charter commission shall hold office until a final report has been made as provided in section 383A.554 December 31, 1990. Vacancies shall be filled by the appointing authority. Appointments shall be made by filing with the board of county commissioners. An appointee shall file acceptance of the appointment with the board of county commissioners within ten days or be considered to have declined the appointment. If a charter is adopted at the November 1990 election, the members shall continue to serve until a new commission is appointed or until the effective date of the charter in 1992, whichever occurs first.

Sec. 2. Minnesota Statutes 1988, section 383A.556, is amended to read:

383A.556 [EFFECTIVE DATE.]

If a majority of all the voters voting in the county at the election vote in favor of the proposed charter, it shall be adopted. If 51 percent of the votes cast on the proposition are in favor of the proposed charter, it shall be considered adopted. The charter shall take effect two years after the election. At that time the courts shall take judicial notice of the new charter and upon the election or

appointment of officers under the charter the former officials of Ramsey county shall deliver to them all records, money, and other public property under their control.

Sec. 3. [LOCAL APPROVAL.]

This act takes effect the day after the Ramsey county board complies with Minnesota Statutes, section 645.021, subdivision 3."

Delete the title and insert:

"A bill for an act relating to Ramsey county; setting the terms of charter commission members; specifying majority for adoption of county charter; amending Minnesota Statutes 1988, sections 383A.553, subdivision 1; and 383A.556."

The motion prevailed and the amendment was adopted.

Osthoff moved to amend S. F. No. 1777, as amended, as follows:

Pages 1 and 2, delete section 2.

A roll call was requested and properly seconded.

The question was taken on the Osthoff amendment and the roll was called. There were 40 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jennings	Neuenschwander	Poppenhagen.	Sparby
Bishop	Kahn	Olson, E.	Pugh	Stanius
Brown	Kelly	Olson, K.	Rice	Sviggum
Carlson, D.	Kelso	Orenstein	Rukavina	Swenson
Carruthers	Kinkel	Osthoff	Schafer	Trimble
Clark	Krueger	Otis	Scheid	Wagenius
Gutknecht	Milbert	Pappas	Simoneau	Weaver
Janezich	Murphy	Pellow	Solberg	Wenzel

Those who voted in the negative were:

Abrams	Cooper	Haukoos	Knickerbocker	Munger
Anderson, R.	Dauner	Hausman	Kostohryz	Nelson, C.
Battaglia	Dawkins	Heap	Lasley	O'Connor
Bauerly	Dille	Henry	Lieder	Olsen, S.
Beard	Dorn	Himle	Limmer	Omann
Begich	Forsythe	Hugoson	Lynch	Onnen
Bennett	Frederick	Jacobs	Macklin	Ostrom
Bertram	Frerichs	Jaros	Marsh	Ozment
Blatz	Girard	Johnson, A.	McEachern	Pauly
Boo	Greenfield	Johnson, R.	McGuire	Pelowski
Burger	Gruenes	Johnson, V.	McPherson	Peterson
Carlson, L.	Hartle	Kalis	Morrison	Price

Quinn	Runbeck	Steensma	Uphus	Welle
Redalen	Sarna	Tjornhom	Valento	Winter
Reding	Seaberg	Tompkins	Vellenga	Spk. Vanasek
Richter	Segal	Tunheim	Waltman	

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

S. F. No. 1777, A bill for an act relating to Ramsey county; setting the terms of charter commission members; amending Minnesota Statutes 1988, section 383A.553, subdivision 1.

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 123 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Carruthers	Osthoff
------------	---------

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

H. F. No. 2152 was reported to the House.

Olson, K., moved that H. F. No. 2152 be continued on Special Orders. The motion prevailed.



S. F. No. 1789 was reported to the House.

Pappas, Hasskamp, Williams, Macklin and Henry offered an amendment to S. F. No. 1789.

#### POINT OF ORDER

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

S. F. No. 1789, A bill for an act relating to health; requiring licensed health care practitioners who dispense certain legend drugs for profit to file with the practitioner's licensing board; amending Minnesota Statutes 1988, section 151.37, 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 1698 was reported to the House.

Greenfield moved to amend S. F. No. 1698, as follows:

Page 3, line 15, after "beds" insert "or the combined licensed capacity of the hospitals, whichever is less"

Page 3, line 16, after "beds" delete the remainder of the line

Page 3, delete line 17

The motion prevailed and the amendment was adopted.

S. F. No. 1698, A bill for an act relating to health; codifying existing law restricting construction of new hospitals; repealing a sunset; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Laws 1984, chapter 654, article 5, section 57, as amended.

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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

The Speaker resumed the Chair.

S. F. No. 1847 was reported to the House.

Orenstein, Sparby and Brown moved to amend S. F. No. 1847, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 363.01, subdivision 28, is amended to read:

Subd. 28. [AGE.] "Age" insofar as it refers to any prohibited unfair employment or education practice shall be deemed to protect only those individuals. The prohibition against unfair employment or education practices based on age prohibits using a person's age as a basis for a decision if the person is over the age of majority except for section 363.03, subdivision 5 which shall be deemed to protect any individual over the age of 25 years.

Sec. 2. Minnesota Statutes 1988, section 363.02, is amended by adding a subdivision to read:

Subd. 8. [LAW ENFORCEMENT AGENCIES.] Notwithstanding any other provision of this chapter, a law enforcement agency filling a peace officer position or part-time peace officer position may require or request an applicant to undergo psychological evaluation before a job offer is made provided that the psychological evaluation is for those job-related abilities set forth by the board of peace officer standards and training for psychological evaluations and is otherwise lawful. A law enforcement agency may, after notifying an applicant for a peace officer or part-time peace officer position that the law enforcement agency is commencing a background investigation on the applicant, request the applicant's date of birth, gender, and race on a separate form for the sole and exclusive purpose of conducting a criminal history check, a driver's license check, and fingerprint criminal history inquiry. The form shall include a statement indicating why the data is being collected and what its limited use will be. No document which has date of birth, gender, or race information will be included in the information given to or available to any person who is involved in selecting the person or persons employed other than the background investigator. No person may act both as background investigator and be involved in the selection of an employee except that the background investigator's report about background may be used in that selection as long as no direct or indirect references are made to the applicant's race, age, or gender.

Sec. 3. Minnesota Statutes 1988, section 363.02, is amended by adding a subdivision to read:

Subd. 9. [EMPLOYEE HEALTH RECORDS.] Notwithstanding

any other provision of this chapter, an employer, with the consent of the employee after employment has commenced, may obtain medical information only for the purposes of assessing continuing ability to perform the job or employee health insurance eligibility; for purposes mandated by local, state, or federal law; for purposes of assessing the need to reasonably accommodate an employee or obtaining information to determine eligibility for the second injury fund under chapter 176; or pursuant to sections 181.950 to 181.957; or other legitimate business reason not otherwise prohibited by law.

Sec. 4. Minnesota Statutes 1988, section 363.03, subdivision 2, is amended to read:

Subd. 2. [REAL PROPERTY.] It is an unfair discriminatory practice:

(1) For an owner, lessee, sublessee, assignee, or managing agent of, or other person having the right to sell, rent or lease any real property, or any agent of any of these:

(a) to refuse to sell, rent, or lease or otherwise deny to or withhold from any person or group of persons any real property because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status; or

(b) to discriminate against any person or group of persons because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status in the terms, conditions or privileges of the sale, rental or lease of any real property or in the furnishing of facilities or services in connection therewith, except that nothing in this clause shall be construed to prohibit the adoption of reasonable rules intended to protect the safety of minors in their use of the real property or any facilities or services furnished in connection therewith; or

(c) in any transaction involving real property, to print, circulate or post or cause to be printed, circulated, or posted any advertisement or sign, or use any form of application for the purchase, rental or lease of real property, or make any record or inquiry in connection with the prospective purchase, rental, or lease of real property which expresses, directly or indirectly, any limitation, specification, or discrimination as to race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status, or any intent to make any such limitation, specification, or discrimination except that nothing in this clause shall be construed to prohibit the advertisement of a dwelling unit as available to adults-only if the person placing the advertisement reasonably believes that the provisions of this subdivision prohibiting discrimination because of familial status do not apply to the dwelling unit.

(2) For a real estate broker, real estate salesperson, or employee, or agent thereof:

(a) to refuse to sell, rent, or lease or to offer for sale, rental, or lease any real property to any person or group of persons or to negotiate for the sale, rental, or lease of any real property to any person or group of persons because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status or represent that real property is not available for inspection, sale, rental, or lease when in fact it is so available, or otherwise deny or withhold any real property or any facilities of real property to or from any person or group of persons because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status; or

(b) to discriminate against any person because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status in the terms, conditions or privileges of the sale, rental or lease of real property or in the furnishing of facilities or services in connection therewith; or

(c) to print, circulate, or post or cause to be printed, circulated, or posted any advertisement or sign, or use any form of application for the purchase, rental, or lease of any real property or make any record or inquiry in connection with the prospective purchase, rental or lease of any real property, which expresses directly or indirectly, any limitation, specification or discrimination as to race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status or any intent to make any such limitation, specification, or discrimination except that nothing in this clause shall be construed to prohibit the advertisement of a dwelling unit as available to adults-only if the person placing the advertisement reasonably believes that the provisions of this subdivision prohibiting discrimination because of familial status do not apply to the dwelling unit.

(3) For a person, bank, banking organization, mortgage company, insurance company, or other financial institution or lender to whom application is made for financial assistance for the purchase, lease, acquisition, construction, rehabilitation, repair or maintenance of any real property or any agent or employee thereof:

(a) to discriminate against any person or group of persons because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status of the person or group of persons or of the prospective occupants or tenants of the real property in the granting, withholding, extending, modifying or renewing, or in the rates, terms, conditions, or privileges of the financial assistance or in the extension of services in connection therewith; or

(b) to use any form of application for the financial assistance or make any record or inquiry in connection with applications for the financial assistance which expresses, directly or indirectly, any limitation, specification, or discrimination as to race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status or any intent to make any such limitation, specification, or discrimination; or

(c) to discriminate against any person or group of persons who desire to purchase, lease, acquire, construct, rehabilitate, repair, or maintain real property in a specific urban or rural area or any part thereof solely because of the social, economic, or environmental conditions of the area in the granting, withholding, extending, modifying, or renewing, or in the rates, terms, conditions, or privileges of the financial assistance or in the extension of services in connection therewith.

(4) For any real estate broker or real estate salesperson, for the purpose of inducing a real property transaction from which the person, the person's firm, or any of its members may benefit financially, to represent that a change has occurred or will or may occur in the composition with respect to race, creed, color, national origin, sex, marital status, status with regard to public assistance, or disability of the owners or occupants in the block, neighborhood, or area in which the real property is located, and to represent, directly or indirectly, that this change will or may result in undesirable consequences in the block, neighborhood, or area in which the real property is located, including but not limited to the lowering of property values, an increase in criminal or antisocial behavior, or a decline in the quality of schools or other public facilities.

(5) For a person to deny a totally or partially blind, physically handicapped, or deaf person with a service dog full and equal access to real property provided for in this section. The person may not be required to pay extra compensation for the service dog but is liable for damage done to the premises by the service dog.

(6) For a person to coerce, intimidate, threaten, or interfere with a person in the exercise or enjoyment of, or on account of that person having exercised or enjoyed, or on account of that person having aided or encouraged a third person in the exercise or enjoyment of, any right granted or protected by this subdivision.

Notwithstanding the provisions of any law, ordinance, or home rule charter to the contrary, no person shall be deemed to have committed an unfair discriminatory practice based upon age if the unfair discriminatory practice alleged is attempted or accomplished for the purpose of obtaining or maintaining one of the exemptions provided for a dwelling unit provided for in section 363.02, subdivision 2.

Sec. 5. Minnesota Statutes 1988, section 363.03, subdivision 8a, is amended to read:

Subd. 8a. [~~BUSINESS; SEX DISCRIMINATION.~~] It is an unfair discriminatory practice for a person engaged in a trade or business or in the provision of a service:

(a) to refuse to do business with or provide a service to a woman based on her use of her current or former surname; or

It is an ~~unfair discriminatory practice for a person~~ (b) to impose, as a condition of doing business with or providing a service to a woman, that a woman use her current surname rather than a former surname; or

(c) intentionally to refuse to do business with, to refuse to contract with, or to discriminate in the basic terms, conditions, or performance of the contract because of a person's race, color, sex, or disability, unless the alleged refusal or discrimination is because of a legitimate business purpose.

Nothing in this subdivision shall prohibit positive action plans.

Sec. 6. Minnesota Statutes 1988, section 363.03, is amended by adding a subdivision to read:

Subd. 11. [~~DISPARATE IMPACT CASES.~~] If the complaining party has met its burden of showing that an employment practice is responsible for a statistically significant adverse impact on a particular class of persons protected by section 363.03, subdivision 1, clause (2), an employer must justify that practice by demonstrating that the practice is manifestly related to the job or significantly furthers an important business purpose. Upon establishment of this justification, the charging party may prevail upon demonstration of the existence of a comparably effective practice that the court finds would cause a significantly lesser adverse impact on the identified protected class.

Sec. 7. Minnesota Statutes 1988, section 363.06, subdivision 1, is amended to read:

Subdivision 1. [~~ACTIONS.~~] Any person aggrieved by a violation of this chapter may bring a civil action as provided in section 363.14, subdivision 1, clause (a), or may file a verified charge with the commissioner or the commissioner's designated agent. A charge filed with the commissioner must be in writing on a form provided by the commissioner and signed by the charging party. The charge must state the name of the person alleged to have committed an unfair discriminatory practice and set out a summary of the details of the practice complained of. The commissioner may require a

charging party to provide the address of the person alleged to have committed the unfair discriminatory practice, names of witnesses, documents, and any other information necessary to process the charge. The commissioner may dismiss a charge when the charging party fails to provide required information. The commissioner within ten days of the filing shall serve a copy of the charge and a form for use in responding to the charge upon the respondent personally or by mail. The respondent shall file with the department a written response setting out a summary of the details of the respondent's position relative to the charge within 20 days of receipt of the charge. If the respondent fails to respond with a written summary of the details of the respondent's position within 30 days after service of the charge, and service was consistent with rule 4 of the rules of civil procedure, the commissioner, on behalf of the complaining party, may bring an action for default in district court pursuant to rule 55.01 of the rules of civil procedure.

Sec. 8. Minnesota Statutes 1988, section 363.06, is amended by adding a subdivision to read:

Subd. 3a. For purposes of subdivision 3, the first application of an unfair discriminatory practice, employment policy, or seniority system to a new person establishes a basis for the filing of a claim by that person.

Sec. 9. Minnesota Statutes 1988, section 363.116, is amended to read:

### 363.116 [TRANSFER TO COMMISSIONER.]

A local commission may refer a matter under its jurisdiction to the commissioner.

The charging party has the option of filing a charge either with a local commission or the department. Notwithstanding the provisions of any ordinance or resolution to the contrary, a charge may be filed with a local commission within 300 days one year after the occurrence of the practice. The exercise of such choice in filing a charge with one agency shall preclude the option of filing the same charge with the other agency. At the time a charge comes to the attention of a local agency, the agency or its representative shall inform the charging party of this option, and of the party's rights under Laws 1967, chapter 897.

Where this chapter provides additional protections and remedies not provided for under a local antidiscrimination ordinance, the local commission shall advise a party bringing a charge under a local ordinance of those additional protections and remedies and of the option to file a charge under this chapter.



The term "local commission" as used in this section has the same meaning given the term in section 363.115.

Sec. 10. [INSTRUCTION TO REVISOR.]

In the next edition of Minnesota Statutes; the revisor of statutes shall alphabetize the definitions in Minnesota Statutes, section 363.01, and make all appropriate cross-reference changes in Minnesota Statutes and Minnesota Rules."

Delete the title and insert:

"A bill for an act relating to human rights; amending the definition of age; clarifying medical information obtainable from prospective employees; prohibiting threats against home owners and renters; prohibiting discriminatory business practices; clarifying the meaning of business necessity and continuing violations; renumbering definitions; amending Minnesota Statutes 1988, sections 363.01, subdivision 28; 363.02, by adding subdivisions; 363.03, subdivisions 2, 8a, and by adding a subdivision; 363.06, subdivision 1, and by adding a subdivision; and 363.116."

The motion prevailed and the amendment was adopted.

S. F. No. 1847, A bill for an act relating to human rights; amending the definition of age; clarifying medical information obtainable from prospective employees; clarifying protection for pregnant employees; prohibiting threats against home owners and renters; prohibiting discriminatory business practices; clarifying the meaning of business necessity and continuing violations; renumbering definitions; amending Minnesota Statutes 1988, sections 363.01, subdivision 28; 363.03, subdivisions 2, 8a, and by adding subdivisions; 363.06, subdivision 1, and by adding a subdivision; 363.071, by adding subdivisions; 363.116; Minnesota Statutes 1989 Supplement, sections 363.02, subdivision 1; and 363.03, subdivision 1.

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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

S. F. No. 2026, A bill for an act relating to health; authorizing the creation of a technical advisory task force for emergency dispatch services; requiring the submission of a multidisciplinary report on training needs of emergency dispatchers operating within 911 systems.

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

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

The bill was passed and its title agreed to.

The Speaker called Redalen to the Chair.

S. F. No. 2430, A bill for an act relating to financial institutions; establishing a system for the evaluation and rating of community reinvestment by depository financial institutions owned by interstate holding companies; providing uniformity with federal financial institutions regulatory practices; regulating public disclosure of uniform rating; requiring notice to the commissioner of proposed acquisitions of control; regulating Minnesota transmission facilities; allowing equal access by other transmission facilities; permitting interstate banking with an additional reciprocating state; amending Minnesota Statutes 1988, sections 47.61, by adding a subdivision; 47.65, by adding subdivisions; 48.92, subdivision 7; and 48.93, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 46 and 47.

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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Carruthers	Heap	Kinkel	Miller
Anderson, G.	Clark	Henry	Knickerbocker	Morrison
Anderson, R.	Cooper	Himle	Kostohryz	Munger
Battaglia	Dauner	Hugoson	Krueger	Murphy
Bauerly	Dawkins	Jacobs	Lasley	Nelson, C.
Beard	Dille	Janezich	Lieder	Nelson, K.
Begich	Dorn	Jaros	Limmer	Neuenschwander
Bennett	Forsythe	Jefferson	Long	O'Connor
Bertram	Frederick	Jennings	Lynch	Ogren
Bishop	Frerichs	Johnson, A.	Macklin	Olsen, S.
Blatz	Girard	Johnson, R.	Marsh	Olson, E.
Boo	Greenfield	Johnson, V.	McEachern	Olson, K.
Brown	Gutknecht	Kahn	McGuire	Omann
Burger	Hartle	Kalis	McLaughlin	Onnen
Carlson, D.	Haukoos	Kelly	McPherson	Orenstein
Carlson, L.	Hausman	Kelso	Milbert	Osthoff

Ostrom	Pugh	Sarna	Stanius	Vellenga
Otis	Quinn	Schafer	Steensma	Wagenius
Ozment	Redalen	Scheid	Sviggum	Waltman
Pappas	Reding	Schreiber	Swenson	Weaver
Pauly	Rest	Seaberg	Tjornhom	Welle
Pellow	Rice	Segal	Tompkins	Wenzel
Pelowski	Richter	Simoneau	Trimble	Williams
Peterson	Rodosovich	Skoglund	Tunheim	Winter
Poppenhagen	Rukavina	Solberg	Uphus	Spk. Vanasek
Price	Runbeck	Sparby	Valento	

The bill was passed and its title agreed to.

S. F. No. 2564, A bill for an act relating to criminal sexual conduct; expanding the definition of "sexual contact" in fifth degree criminal sexual conduct; amending Minnesota Statutes 1988, section 609.3451, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 693 was reported to the House.

Carlson, D., moved that H. F. No. 693 be placed at the end of Special Orders. The motion prevailed.

S. F. No. 2619 was reported to the House.

Lieder moved to amend S. F. No. 2619, as follows:

Page 2, after line 36, insert:

"Subd. 14. Richard Widmer, 360 Park Meadows Drive, No. 302, Waite Park, Minnesota 56387:

(1) For injury to his right ankle sustained while performing assigned duties at the Minnesota correctional facility - Stillwater . . . \$3,000.00.

(2) To the commissioner of corrections to pay the cost of a neurological examination and other tests necessary to determine the appropriate further medical treatment for the injury, without prejudice to a future claim by Mr. Widmer for the costs of that further medical treatment . . . \$1,500.00."

Renumber the remaining subdivisions of section 1 in sequence

The motion prevailed and the amendment was adopted.

S. F. No. 2619, 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, 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	Carlson, L.	Hartle	Kahn	McEachern
Anderson, G.	Carruthers	Haukoos	Kalis	McGuire
Anderson, R.	Clark	Hausman	Kelly	McLaughlin
Battaglia	Cooper	Heap	Kelso	McPherson
Bauerly	Dauner	Henry	Kinkel	Milbert
Beard	Dawkins	Himle	Knickerbocker	Miller
Begich	Dille	Hugoson	Kostohryz	Morrison
Bennett	Dorn	Jacobs	Krueger	Munger
Bertram	Forsythe	Janezich	Lasley	Murphy
Bishop	Frederick	Jaros	Lieder	Nelson, C.
Blatz	Frerichs	Jefferson	Limmer	Nelson, K.
Boo	Girard	Jennings	Long	Neuenschwander
Brown	Greenfield	Johnson, A.	Lynch	O'Connor
Burger	Gruenes	Johnson, R.	Macklin	Ogren
Carlson, D.	Gutknecht	Johnson, V.	Marsh	Olsen, S.

Olson, E.	Pellow	Richter	Skoglund	Uphus
Olson, K.	Pelowski	Rodosovich	Solberg	Valento
Omann	Peterson	Rukavina	Sparby	Vellenga
Onnen	Poppenhagen	Runbeck	Stanius	Wagenius
Orenstein	Price	Sarna	Steensma	Waltman
Osthoff	Pugh	Schafer	Sviggum	Weaver
Ostrom	Quinn	Scheid	Swenson	Welle
Otis	Redalen	Schreiber	Tjornhom	Wenzel
Ozment	Reding	Seaberg	Tompkins	Williams
Pappas	Rest	Segal	Trimble	Winter
Pauly	Rice	Simoneau	Tunheim	Spk. Vanasek

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

S. F. No. 2092, A bill for an act relating to cities; regulating financial operations of municipal hospitals of statutory cities; changing the method of selection of the hospital board for St. Louis and Koochiching counties from election at large to appointment by the county boards; amending Minnesota Statutes 1988, section 412.221, subdivision 16; and Laws 1988, chapter 645, section 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 2132, A bill for an act relating to crimes; making it a crime to obtain telecommunication services by fraud; requiring forfeiture of telecommunication devices used for fraudulent purposes; prescribing penalties; amending Minnesota Statutes 1988, section 609.87, subdivisions 3 and 5; Minnesota Statutes 1989 Supplement, section 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 237 and 609; repealing Minnesota Statutes 1988, section 609.785.

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

The bill was passed and its title agreed to.

S. F. No. 1725, A bill for an act relating to the environment; changing the fund balances required to impose the fee and the collection period of the fee; changing the terms for reimbursement of petroleum tank release costs by the petroleum tank release compensation board; providing certain tank facilities and refineries are ineligible for reimbursement; appropriating money reimbursed to state agencies; amending Minnesota Statutes 1988, sections 115C.02, by adding subdivisions; 115C.08, subdivision 2; Minnesota Statutes 1989 Supplement, sections 115C.08, subdivision 5; and 115C.09, subdivision 3, and by adding a subdivision.

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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1884 was reported to the House.

Pappas moved that H. F. No. 1884 be continued on Special Orders. The motion prevailed.

S. F. No. 2318, A bill for an act relating to education; clarifying that statutes governing aversive and deprivation procedures apply to handicapped pupils; requiring that rules of the state board of education contain a list of prohibited procedures; amending Minnesota Statutes 1988, sections 127.43, subdivision 1; and 127.44.

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

The bill was passed and its title agreed to.

S. F. No. 2051, A bill for an act relating to health; allowing a waiver of restrictions that may be placed upon controlling persons of a nursing home; amending Minnesota Statutes 1988, section 144A.04, subdivision 4; and by adding a subdivision.

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

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

The bill was passed and its title agreed to.

S. F. No. 1704 was reported to the House.

McGuire moved to amend S. F. No. 1704, as follows:

Page 2, delete section 3

Renumber the remaining sections

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Kahn moved to amend S. F. No. 1704, as amended, as follows:

Page 1, line 18, strike "Aquiculture" and insert "Aquaculture"

Page 1, line 21, strike the first "aquiculture" and insert "aquaculture"

Page 1, line 21, strike the second "Aquiculture" and insert "Aquaculture"

Page 1, line 25, strike "aquiculture" and insert "aquaculture"

Page 1, line 26, delete "aquiculture" and insert "aquaculture"

Page 1, line 30, delete "aquiculture" and insert "aquaculture"

Page 2, line 2, delete "aquiculture" and insert "aquaculture"

Page 2, line 3, delete "aquiculture" and insert "aquaculture"

Page 2, line 24, delete "AQUICULTURE" and insert "AQUACULTURE"

Page 2, line 26, delete "aquiculture" and insert "aquaculture"

Page 2, line 28, delete "aquiculture" and insert "aquaculture"

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 1704, A bill for an act relating to natural resources; regulating aquiculture activities and programs; providing for the transportation of minnows by common carrier; regulating the commercial fishing of rough fish on the Lake of the Woods; authorizing conservation officers to seek issuance of and to serve search warrants; amending Minnesota Statutes 1988, sections 97A.155, by adding a subdivision; 97C.501, subdivision 1; and 97C.525, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 17.49, subdivision 2, and by adding a subdivision; 626.05, subdivision 2; and 626.13; proposing coding for new law in Minnesota Statutes, chapters 17 and 97C.

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 118 yeas and 10 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Begich	Hugoson	Kinkel	Poppenhagen	Tunheim
Cooper	Janezich	Miller	Sparby	Wenzel

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

Speaker pro tempore Redalen called Quinn to the Chair.

H. F. No. 1815 was reported to the House.

Sparby moved that H. F. No. 1815 be continued on Special Orders. The motion prevailed.

S. F. No. 2493, A bill for an act relating to insurance; promoting availability of automobile insurance for family or group family day care providers; amending Minnesota Statutes 1988, sections 65B.47, subdivision 1, and by adding a subdivision; and 65B.49, by adding a subdivision.

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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

There being no objection, S. F. No. 1827 which was continued earlier today was again reported to the House.

Orenstein moved to amend S. F. No. 1827, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 31.50, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) For the purposes of this section, "distressed food" means, in addition to the definition in section 31.495, certain perishable foods, as defined in section 28A.03, which may not be readily marketable due to appearance, freshness, grade, surplus or other considerations and are not suspect of having been rendered unsafe or unsuitable for food use and are adequately labeled.

(b) For the purposes of this section, "food bank" means a surplus food collection and distribution system operated and established to assist in bringing donated food to nonprofit charitable organizations and individuals for the purpose of reducing hunger and meeting nutritional needs.

(c) For the purposes of this section, "food facility" means a:

(1) restaurant, food establishment, vehicle, vending machine, produce stand, temporary food facility, satellite food distribution facility, stationary mobile food preparation unit, and mobile food preparation unit;

(2) place used in conjunction with the operations described in clause (1), including, but not limited to, storage facilities for food-related utensils, equipment, and materials; or

(3) farmers' market.

(d) "Nonprofit charitable organization" means an organization that was organized under the Minnesota nonprofit corporation act and is operating for charitable purposes.

Sec. 2. Minnesota Statutes 1988, section 31.50, subdivision 2, is amended to read:

Subd. 2. [DONATION; DISTRESSED FOOD.] A food manufacturer, distributor, processor or a person who donates or collects distressed food to or for a nonprofit charitable organization as defined in section 309.50, subdivision 4, for distribution at no charge to the elderly or needy, or who directly distributes distressed food to the elderly or needy at no charge, shall not be liable for any injury, including but not limited to injury resulting from the ingesting of the distressed food, unless the injury is caused by the gross negligence, recklessness or intentional misconduct of the food manufacturer, processor, distributor or person.

Sec. 3. Minnesota Statutes 1988, section 31.50, subdivision 3, is amended to read:

Subd. 3. [DISTRIBUTION.] A food bank or nonprofit charitable organization as defined in section 309.50, subdivision 4, which in good faith collects or receives distressed food and distributes it at no charge to the elderly or needy, at no charge, food which is fit for human consumption at the time it is distributed, shall not be liable for any injury, including but not limited to injury resulting from the ingesting of the distressed food, unless the injury is caused by the gross negligence, recklessness or intentional misconduct of the food bank or nonprofit charitable organization.

Sec. 4. Minnesota Statutes 1988, section 31.50, is amended by adding a subdivision to read:

Subd. 5. [OTHER FOOD DONATION.] A food facility that donates, to a food bank or other nonprofit charitable organization, food which is:

(1) fit for human consumption at the time of donation; and

(2) distributed by the food bank or nonprofit charitable organization to the elderly or needy at no charge;

shall not be liable for any injury, including, but not limited to, liability resulting from ingestion of the food, unless the injury is caused by the gross negligence, recklessness, or intentional misconduct of the food facility.

Sec. 5. Minnesota Statutes 1988, section 38.013, is amended to read:

#### 38.013 [TORT LIABILITY.]

The provisions of chapter 466, regarding tort liability apply to county agricultural societies organized under this chapter, except that no person who serves without compensation as a member of the board of a county agricultural society created or organized under chapter 38 shall be held civilly liable for an act or omission by that person if the act or omission was in good faith, was within the scope of the person's responsibilities as a member of the board and did not constitute willful or reckless misconduct.

This subdivision does not apply to:

(1) an action or proceeding brought by the attorney general for a breach of a fiduciary duty as a director;

(2) a cause of action to the extent it is based on federal law; or

(3) a cause of action based on the board member's express contractual obligation.

Nothing in this subdivision shall be construed to limit the liability of a member of the board for physical injury to the person

of another or for wrongful death which is personally and directly caused by the board member.

For purposes of this subdivision the term "compensation" means any thing of value received for services rendered, except:

- (1) reimbursement for expenses actually incurred;
- (2) a per diem in an amount not to exceed the per diem authorized for state advisory councils and committees pursuant to section 15.059, subdivision 3; or
- (3) payment by the county agricultural society of insurance premiums on behalf of a member of the board.

Sec. 6. Minnesota Statutes 1988, section 65B.51, subdivision 1, is amended to read:

Subdivision 1. [DEDUCTION OF BASIC ECONOMIC LOSS BENEFITS.] With respect to a cause of action in negligence accruing as a result of injury arising out of the operation, ownership, maintenance or use of a motor vehicle with respect to which security has been provided as required by sections 65B.41 to 65B.71, ~~there shall be deducted~~ the court shall deduct from any recovery the value of basic or optional economic loss benefits paid or payable, or which would be payable but for any applicable deductible. In any case where the claimant is found to be at fault under section 604.01, the deduction for basic economic loss benefits must be made before the claimant's damages are reduced under section 604.01, subdivision 1.

Sec. 7. Minnesota Statutes 1988, section 169.48, is amended to read:

#### 169.48 [VEHICLE LIGHTING.]

Every vehicle upon a highway within this state, at any time from sunset to sunrise and at any other time when visibility is impaired by weather, smoke, fog or other conditions or there is not sufficient light to render clearly discernible persons and vehicles on the highway at a distance of 500 feet ahead, shall display lighted lamps and illuminating devices, as hereinafter, respectively, required for different classes of vehicles, subject to exceptions with respect to parked vehicles and law enforcement vehicles, as hereinafter stated. In addition to the other requirements of this paragraph, every school bus transporting children upon a highway within this state, at any time from a half hour before sunrise to a half hour after sunset, shall display lighted lamps and illuminating devices as required by this paragraph, except that the operator shall use the lower most distribution of light specified in section 169.60 unless conditions warrant otherwise.

When requirement is hereinafter declared as to the distance from which certain lamps and devices shall render objects visible or within which such lamps or devices shall be visible, these provisions shall apply during the time stated in this section upon a straight level unlighted highway under normal atmospheric conditions unless a different time or condition is expressly stated and unless otherwise specified the location of lamps and devices shall refer to the center of such lamps or devices. Parking lamps shall not be used in lieu of head lamps to satisfy the requirements of this section.

Sec. 8. [169.541] [LIGHTING EXEMPTIONS; LAW ENFORCEMENT VEHICLES; STANDARDS.]

Subdivision 1. [EXEMPTION.] Sections 84.87, 84.928, 169.48 to 169.65, and 361.15, relating to lighting of vehicles and watercraft, do not apply to a licensed peace officer, as defined in section 626.84, subdivision 1, paragraph (c), while operating a motor vehicle or watercraft owned, leased, or otherwise the property of the state or a political subdivision, in the performance of the officer's law enforcement duties if the officer's conduct is consistent with the standards adopted under subdivision 2, and if the officer reasonably believes that operating the vehicle without lights is necessary under the circumstances to investigate a criminal violation or suspected criminal violation of state laws, rules, or orders or local laws, ordinances, or regulations.

Subd. 2. [POST BOARD STANDARDS.] The peace officers standards and training board shall adopt standards governing situations in which licensed peace officers as defined in section 626.84, subdivision 1, paragraph (c), may operate a vehicle or watercraft without lights as provided in subdivision 1. The board shall report to the legislature on the standards by January 1, 1991.

Subd. 3. [TORT LIABILITY.] When authorized under subdivision 1, the fact that a motor vehicle or watercraft was operated without lights by a licensed peace officer is an act or omission, or performance or failure to perform, as applied in sections 3.736, subdivision 3, clauses (a) and (b); and 466.03, subdivisions 5 and 6.

Sec. 9. Minnesota Statutes 1988, section 340A.801, is amended by adding a subdivision to read:

Subd. 6. [COMMON LAW CLAIMS.] Nothing in this chapter precludes common law tort claims against any person 21 years old or older who knowingly provides or furnishes alcoholic beverages to a person under the age of 21 years.

Sec. 10. Minnesota Statutes 1988, section 361.15, is amended to read:



## 361.15 [LIGHTS.]

Subdivision 1. Except as provided in section 8, each watercraft using the waters of this state, when underway or in use at any time between sunset and sunrise, shall carry and display the lights specified by the commissioner for such watercraft.

Sec. 11. Minnesota Statutes 1988, section 466.08, is amended to read:

## 466.08 [COMPROMISE OF CLAIMS.]

Notwithstanding sections 466.03 and 466.06, the governing body of any municipality, the administrator of a self-insurance pool, or the authorized representative of a private insurance carrier may compromise, adjust and settle tort claims against the municipality for damages under section 466.02 and may, subject to procedural requirements imposed by law or charter, appropriate money for the payment of amounts agreed upon. When the amount of a settlement exceeds ~~\$2,500~~ \$10,000, the settlement shall not be effective until approved by the district court.

Sec. 12. Minnesota Statutes 1988, section 541.051, subdivision 1, is amended to read:

Subdivision 1. (a) Except where fraud is involved, no action by any person in contract, tort, or otherwise to recover damages for any injury to property, real or personal, or for bodily injury or wrongful death, arising out of the defective and unsafe condition of an improvement to real property, nor any action for contribution or indemnity for damages sustained on account of the injury, shall be brought against any person performing or furnishing the design, planning, supervision, materials, or observation of construction or construction of the improvement to real property or against the owner of the real property more than two years after discovery of the injury or, in the case of an action for contribution or indemnity, accrual of the cause of action, nor, in any event shall such a cause of action accrue more than ten years after substantial completion of the construction. Date of substantial completion shall be determined by the date when construction is sufficiently completed so that the owner or the owner's representative can occupy or use the improvement for the intended purpose.

(b) For purposes of paragraph (a), a cause of action accrues upon discovery of the injury or, in the case of an action for contribution or indemnity, upon payment of a final judgment, arbitration award, or settlement arising out of the defective and unsafe condition.

(c) Nothing in this section shall apply to actions for damages resulting from negligence in the maintenance, operation or inspection

tion of the real property improvement against the owner or other person in possession.

(d) The limitations prescribed in this section do not apply to the manufacturer or supplier of any equipment or machinery installed upon real property.

Sec. 13. Minnesota Statutes 1988, section 548.36, subdivision 3, is amended to read:

Subd. 3. [DUTIES OF THE COURT.] (a) The court shall reduce the award by the amounts determined under subdivision 2, clause (1), and offset any reduction in the award by the amounts determined under subdivision 2, clause (2).

(b) If the court cannot determine the amounts specified in paragraph (a) from the written evidence submitted, the court may within ten days request additional written evidence or schedule a conference with the parties to obtain further evidence.

(c) In any case where the claimant is found to be at fault under section 604.01, the reduction required under paragraph (a) must be made before the claimant's damages are reduced under section 604.01, subdivision 1.

Sec. 14. Minnesota Statutes 1988, section 549.20, subdivision 1, is amended to read:

Subdivision 1. (a) Punitive damages shall be allowed in civil actions only upon clear and convincing evidence that the acts of the defendant show a willful indifference to deliberate disregard for the rights or safety of others.

(b) A defendant has acted with deliberate disregard for the rights or safety of others if the defendant has knowledge of facts or intentionally disregards facts that create a high probability of injury to the rights or safety of others and:

(1) deliberately proceeds to act in conscious or intentional disregard of the high degree of probability of injury to the rights or safety of others; or

(2) deliberately proceeds to act with indifference to the high probability of injury to the rights or safety of others.

Sec. 15. Minnesota Statutes 1988, section 549.20, subdivision 2, is amended to read:

Subd. 2. Punitive damages can properly be awarded against a master or principal because of an act done by an agent only if:

(a) the principal authorized the doing and the manner of the act, or

(b) the agent was unfit and the principal was reckless in employing the agent deliberately disregarded a high probability that the agent was unfit, or

(c) the agent was employed in a managerial capacity with authority to establish policy and make planning level decisions for the principal and was acting in the scope of that employment, or

(d) the principal or a managerial agent of the principal, described in clause (c), ratified or approved the act while knowing of its character and probable consequences.

Sec. 16. Minnesota Statutes 1988, section 549.20, is amended by adding a subdivision to read:

Subd. 4. [SEPARATE PROCEEDING.] In a civil action in which punitive damages are sought, the trier of fact shall, if requested by any of the parties, first determine whether compensatory damages are to be awarded. Evidence of the financial condition of the defendant and other evidence relevant only to punitive damages is not admissible in that proceeding. After a determination has been made, the trier of fact shall, in a separate proceeding, determine whether and in what amount punitive damages will be awarded.

Sec. 17. Minnesota Statutes 1988, section 549.20, is amended by adding a subdivision to read:

Subd. 5. [JUDICIAL REVIEW.] The court shall specifically review the punitive damages award in light of the factors set forth in subdivision 3 and shall make specific findings with respect to them. The appellate court, if any, also shall review the award in light of the factors set forth in that subdivision. Nothing in this section may be construed to restrict either court's authority to limit punitive damages.

Sec. 18. Minnesota Statutes 1988, section 604.01, subdivision 1, is amended to read:

Subdivision 1. [SCOPE OF APPLICATION.] Contributory fault shall does not bar recovery in an action by any person or the person's legal representative to recover damages for fault resulting in death or, in injury to person or property, or in economic loss, if the contributory fault was not greater than the fault of the person against whom recovery is sought, but any damages allowed shall must be diminished in proportion to the amount of fault attributable to the person recovering. The court may, and when requested by any party shall, direct the jury to find separate special verdicts deter-

mining the amount of damages and the percentage of fault attributable to each party; and the court shall then reduce the amount of damages in proportion to the amount of fault attributable to the person recovering.

Sec. 19. Minnesota Statutes 1988, section 604.01, subdivision 1a, is amended to read:

Subd. 1a. [FAULT.] "Fault" includes acts or omissions that are in any measure negligent or reckless toward the person or property of the actor or others, or that subject a person to strict tort liability. The term also includes breach of warranty, unreasonable assumption of risk not constituting an express consent or primary assumption of risk, misuse of a product and unreasonable failure to avoid an injury or to mitigate damages, and the defense of complicity under section 340A.801. Legal requirements of causal relation apply both to fault as the basis for liability and to contributory fault. The doctrine of last clear chance is abolished.

Evidence of unreasonable failure to avoid aggravating an injury or to mitigate damages may be considered only in determining the damages to which the claimant is entitled. It may not be considered in determining the cause of an accident.

Sec. 20. Minnesota Statutes 1988, section 604.01, subdivision 3, is amended to read:

Subd. 3. [PROPERTY DAMAGE OR ECONOMIC LOSS; SETTLEMENT OR PAYMENT.] Settlement with or any payment made to a person or on the person's behalf to others for damage to or destruction of property shall or for economic loss does not constitute an admission of liability by the person making the payment or on whose behalf the payment was made.

Sec. 21. [REPEALER.]

Minnesota Statutes 1988, sections 549.23 and 549.24, are repealed.

Sec. 22. [EFFECTIVE DATE; APPLICATION.]

Sections 1 to 6, and 12 to 21 are effective the day following final enactment and apply to all causes of action arising on or after that date. Section 9 is effective August 1, 1990, and applies to causes of action arising on or after that date. Section 11 is effective August 1, 1990, and applies to claims settled on or after that date."

Delete the title and insert:

"A bill for an act relating to civil actions; limiting the liability of

food donors; providing vehicle and watercraft lighting exemptions for law enforcement vehicles; addressing reduction of damages in an action under no-fault automobile insurance; clarifying the execution of a state agency lien for medical assistance in a civil case; preserving common law tort law claims against adults who knowingly provide alcoholic beverages to minors; changing the standard for awarding punitive damages; addressing when a principal may be held liable for punitive damages for an act of the principal's agent; requiring a separate trial to address punitive damages; requiring the court to review a punitive damages award; making the contributory negligence rule apply to damages resulting from economic loss; redefining fault; abolishing the doctrine of last clear chance; repealing the limit on intangible loss damages and the requirement that a jury specify amounts for past, future, and intangible loss damages; amending Minnesota Statutes 1988, sections 31.50, subdivisions 1, 2, 3, and by adding a subdivision; 38.013; 65B.51, subdivision 1; 169.48; 340A.801, by adding a subdivision; 361.15; 466.08; 541.051, subdivision 1; 548.36, subdivision 3; 549.20, subdivisions 1, 2, and by adding subdivisions; 604.01, subdivisions 1, 1a, and 3; proposing coding for new law in Minnesota Statutes, chapter 169; repealing Minnesota Statutes 1988, sections 549.23 and 549.24."

The motion prevailed and the amendment was adopted.

Sviggum moved to amend S. F. No. 1827, as amended, as follows:

Page 4, after line 30, insert:

"Sec. 7. Minnesota Statutes 1988, section 127.03, is amended by adding a subdivision to read:

Subd. 3. [IMMUNITY FROM CIVIL LIABILITY.] A teacher is immune from civil liability for an act if the act is permissible under section 609.06, clause (6)."

Page 11, line 5, delete "6" and insert "7"

Page 11, line 5, delete "12 to 21" and insert "10"

Page 11, line 9, delete "11" and insert "12"

A roll call was requested and properly seconded.

#### POINT OF ORDER

Orenstein raised a point of order pursuant to rule 3.9 that the

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

The question recurred on the Swiggum amendment and the roll was called. There were 100 yeas and 24 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Kostohryz	Osthoff	Scheid
Anderson, G.	Girard	Krueger	Ostrom	Schreiber
Anderson, R.	Gruenes	Lasley	Otis	Seaberg
Battaglia	Gutknecht	Lieder	Ozment	Solberg
Bauerly	Hartle	Lynch	Pauly	Sparby
Beard	Haukoos	Macklin	Pellow	Stanius
Begich	Hausman	Marsh	Peterson	Steensma
Bennett	Heap	McEachern	Poppenhagen	Swiggum
Bertram	Henry	McPherson	Price	Swenson
Bishop	Himle	Milbert	Pugh	Tjornhom
Boo	Hugoson	Miller	Quinn	Tompkins
Brown	Jacobs	Munger	Redalen	Tunheim
Burger	Janezich	Nelson, C.	Reding	Uphus
Carlson, D.	Jennings	Neuenschwander	Rest	Valento
Cooper	Johnson, R.	O'Connor	Richter	Waltman
Dauner	Johnson, V.	Olsen, S.	Rodosovich	Weaver
Dille	Kalis	Olson, E.	Rukavina	Wenzel
Dorn	Kelso	Olson, K.	Rumbeck	Williams
Forsythe	Kinkel	Omann	Sarna	Winter
Frederick	Knickerbocker	Onnen	Schafer	Spk. Vanasek

Those who voted in the negative were:

Carlson, L.	Jaros	Long	Pelowski	Trimble
Carruthers	Johnson, A.	McGuire	Rice	Vellenga
Clark	Kahn	Murphy	Segal	Wagenius
Dawkins	Kelly	Orenstein	Simoneau	Welle
Greenfield	Limmer	Pappas	Skoglund	

The motion prevailed and the amendment was adopted.

S. F. No. 1827, A bill for an act relating to civil actions; providing for immunity from liability for unpaid members of county agricultural society boards; addressing reduction of damages in an action under no-fault automobile insurance; preserving common law tort law claims against adults who knowingly provide alcoholic beverages to minors; increasing the amount of claims that may be settled without court approval under the municipal compromise of claims statute; changing the standard for awarding punitive damages; addressing when a principal may be held liable for punitive damages for an act of the principal's agent; requiring a separate trial to address punitive damages; requiring the court to review a punitive damages award; making the contributory negligence rule apply to damages resulting from economic loss; redefining fault; abolishing the doctrine of last clear chance; providing immunity from liability for volunteer ski patrollers; allowing recovery of attorney fees by good faith reporters under the child abuse reporting act; repealing

the limit on intangible loss damages and the requirement that a jury specify amounts for past, future, and intangible loss damages; amending Minnesota Statutes 1988, sections 38.013; 65B.51, subdivision 1; 340A.801, by adding a subdivision; 466.08; 541.051, subdivision 1; 548.36, subdivision 3; 549.20, subdivisions 1, 2, and by adding subdivisions; 604.01, subdivisions 1, 1a, and 3; 604.05, subdivision 2; 626.556, subdivision 4; repealing Minnesota Statutes 1988, sections 549.23 and 549.24.

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 110 yeas and 18 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Begich	Jennings	Ogren	Redalen	Uphus
Carlson, D.	Milbert	Olson, E.	Rice	Wenzel
Dawkins	Munger	Olson, K.	Rukavina	
Jaros	Neuenschwander	Ostrom	Sparby	

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

The Speaker resumed the Chair.

S. F. No. 1940 was reported to the House.

Greenfield moved to amend S. F. No. 1940, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 60B.04, subdivision 1, is amended to read:

Subdivision 1. [ACTIONS BY COMMISSIONER.] Except as provided in subdivision 2 and section 60B.24, subdivision 1, no delinquency proceeding shall be commenced under sections 60B.01 to 60B.61 by anyone other than the commissioner, including an acting commissioner, of this state and no court shall have jurisdiction to entertain, hear, or determine any proceeding under sections 60B.01 to 60B.61 commenced by any other person. However, the commissioner of health shall have the authority to commence a delinquency proceeding under sections 60B.01 to 60B.61 as to a health maintenance organization.

Sec. 2. Minnesota Statutes 1988, section 60B.15, is amended to read:

#### 60B.15 [GROUNDS FOR REHABILITATION.]

The commissioner may apply by verified petition to the district court for Ramsey county or for the county in which the principal office of the insurer is located for an order directing the commissioner to rehabilitate a domestic insurer or an alien insurer domiciled in this state on any one or more of the following grounds:

(1) Any ground on which the commissioner may apply for an order of liquidation under section 60B.20, whenever the commissioner believes that the insurer may be successfully rehabilitated without substantial increase in the risk of loss to creditors of the insurer, its policyholders or to the public;

(2) That the commissioner has reasonable cause to believe that there has been theft from the insurer, wrongful sequestration or diversion of the insurer's assets, forgery or fraud affecting the insurer or other illegal conduct in, by or with respect to the insurer, which endanger assets in an amount threatening insolvency of the insurer;

(3) That substantial and unexplained discrepancies exist between the insurer's records and the most recent annual report or other official company reports;

(4) That the insurer, after written demand by the commissioner, has failed to remove any person who in fact has executive authority in the insurer, whether an officer, manager, general agent, employee, or other person, if the person has been found by the commissioner after notice and hearing to be dishonest or untrustworthy in a way



affecting the insurer's business such as is the basis for action under section 60A.051;

(5) That control of the insurer, whether by stock ownership or otherwise, and whether direct or indirect, is in one or more persons found by the commissioner after notice and hearing to be dishonest or untrustworthy such as is the basis for action under section 60A.051;

(6) That the insurer, after written demand by the commissioner, has failed within a reasonable period of time to terminate the employment and status and all influences on management of any person who in fact has executive authority in the insurer, whether an officer, manager, general agent, employee or other person if the person has refused to submit to lawful examination under oath by the commissioner concerning the affairs of the insurer, whether in this state or elsewhere;

(7) That after lawful written demand by the commissioner the insurer has failed to submit promptly any of its own property, books, accounts, documents, or other records, or those of any subsidiary or related company within the control of the insurer, or those of any person having executive authority in the insurer so far as they pertain to the insurer, to reasonable inspection or examination by the commissioner or an authorized representative. If the insurer is unable to submit the property, books, accounts, documents, or other records of a person having executive authority in the insurer, it shall be excused from doing so if it promptly and effectively terminates the relationship of the person to the insurer;

(8) That without first obtaining the written consent of the commissioner, or if required by law, the written consent of the attorney general, the insurer has transferred, or attempted to transfer, substantially its entire property or business, or has entered into any transaction the effect of which is to merge, consolidate, or reinsure substantially its entire property or business of any other person;

(9) That the insurer or its property has been or is the subject of an application for the appointment of a receiver, trustee, custodian, conservator or sequestrator or similar fiduciary of the insurer or its property otherwise than as authorized under sections 60B.01 to 60B.61, and that such appointment has been made or is imminent, and that such appointment might divest the courts of this state of jurisdiction or prejudice orderly delinquency proceedings under sections 60B.01 to 60B.61;

(10) That within the previous year the insurer has willfully violated its charter or articles of incorporation or its bylaws or any applicable insurance law or regulation of any state, or of the federal government, or any valid order of the commissioner under section 60B.11 in any manner or as to any matter which threatens substan-

tial injury to the insurer, its creditors, its policyholders or the public, or having become aware within the previous year of an unintentional or willful violation has failed to take all reasonable steps to remedy the situation resulting from the violation and to prevent the same violations in the future;

(11) That the directors of the insurer are deadlocked in the management of the insurer's affairs and that the members or shareholders are unable to break the deadlock and that irreparable injury to the insurer, its creditors, its policyholders, or the public is threatened by reason thereof;

(12) That the insurer has failed to pay for 60 days after due date any obligation to this state or any political subdivision thereof or any judgment entered in this state, except that such nonpayment shall not be a ground until 60 days after any good faith effort by the insurer to contest the obligation or judgment has been terminated, whether it is before the commissioner or in the courts;

(13) That the insurer has failed to file its annual report or other report within the time allowed by law, and after written demand by the commissioner has failed to give an adequate explanation immediately;

(14) That two-thirds of the board of directors, or the holders of a majority of the shares entitled to vote, or a majority of members or policyholders of an insurer subject to control by its members or policyholders, consent to rehabilitation under sections 60B.01 to 60B.61;

(15) That the insurer is engaging in a systematic practice of reaching settlements with and obtaining releases from policyholders or third party claimants and then unreasonably delaying payment of or failing to pay the agreed upon settlements;

(16) That the insurer is in such condition that the further transaction of business would be hazardous, financially or otherwise, to its policyholders, its creditors, or the public;

(17) That within the previous 12 months the insurer has systematically attempted to compromise with its creditors on the ground that it is financially unable to pay its claims in full;

(18) In addition to the grounds in clauses (1) to (17), any one of the following constitutes grounds for rehabilitation of a health maintenance organization:

(a) the health maintenance organization is unable or is expected to be unable to meet its debts as they become due;

(b) grounds exist under section 62D.042, subdivision 7;

(c) the health maintenance organization's liabilities exceed the current value of its assets, exclusive of intangibles and, where the guaranteeing organization's financial condition no longer meets the requirements of sections 62D.041 and 62D.042, exclusive of any deposits, letters of credit, or guarantees provided by any guaranteeing organization under chapter 62D;

(d) within the last year the health maintenance organization has failed, and the commissioner of health expects such failure to continue in the future, to make comprehensive medical care adequately available and accessible to its enrollees and the health maintenance organization has not successfully implemented a plan of corrective action pursuant to section 62D.121, subdivision 7; and

(e) within the last year the directors or officers of the health maintenance organization willfully violated the requirements of section 317A.251, or having become aware within the previous year of an unintentional or willful violation of section 317A.251, have failed to take all reasonable steps to remedy the situation resulting from the violation and to prevent the same violation in the future.

Sec. 3. Minnesota Statutes 1988, section 60B.17, subdivision 2, is amended to read:

Subd. 2. [GENERAL POWER.] Subject to court approval, the rehabilitator may take such action as that person deems necessary or expedient to reform and revitalize the insurer. The rehabilitator shall have all the powers of the officers and managers, whose authority shall be suspended, except as they are redelegated by the rehabilitator and shall have full power to direct and manage, to hire and discharge employees subject to any contract rights they may have, and to deal with the property and business of the insurer.

The power of the rehabilitator of a health maintenance organization includes the power to transfer coverage obligations to a solvent and voluntary health maintenance organization, insurer, or non-profit health service plan, and to assign provider contracts of the insolvent health maintenance organization to an assuming health maintenance organization, insurer, or nonprofit health service plan permitted to enter into such agreements. The rehabilitator shall not be required to meet the notice requirements of section 62D.121. Transferees of coverage obligations or provider contracts shall have no liability to creditors or obligees of the health maintenance organization except those liabilities expressly assumed.

Sec. 4. Minnesota Statutes 1988, section 60B.17, is amended by adding a subdivision to read:

Subd. 8. [PLAN OF REHABILITATION FOR A HEALTH MAINTENANCE ORGANIZATION.] (a) The rehabilitator of a health maintenance organization, after consultation with the board of directors of the health maintenance organization, has the sole authority to propose a plan of rehabilitation.

(b) The court shall approve a plan of rehabilitation of a health maintenance organization if it meets the following criteria:

(1) the plan provides for payments to lien claimants equal to the value of each lien claim on the date of approval of the plan and may provide for payment of lien claims beyond the effective date of the plan and beyond the original repayment period for the obligation underlying the claim where the plan provides sufficient protection for the lien claim during the period for such claim under the rehabilitation plan;

(2) the plan provides for payment in full of each prior class of claims before payment of the next class;

(3) the plan provides for payment in full of all claims for taxes of the United States Government, except for claims for interest accruing during the rehabilitation or claims for penalties. The plan may provide for payment of the claims over any period of time up to ten years after the effective date of the plan; and

(4) the plan is fair and equitable as to each class of claims for which the plan does not provide full payment. In determining whether the plan is fair and equitable to these claimants, the court shall consider the feasibility of the plan, the health maintenance organization's ability to generate a significant surplus, the health maintenance organization's need to expend money to change or expand its business, and the injury to enrollees through loss of coverage, if such a plan is not approved.

(c) The plan may provide for transfer of the health maintenance contracts and liquidation of the health maintenance organization.

(d) The court's approval of a plan of rehabilitation discharges the health maintenance organization from all claims except to the extent provided in the plan.

Sec. 5. [60B.171] [USE, SALE, OR TRANSFER OF ASSETS DURING REHABILITATION.]

Subdivision 1. [REHABILITATOR AUTHORITY TO USE, SELL, TRANSFER ASSETS.] In addition to the powers of the rehabilitator provided in this chapter, during rehabilitation of a health maintenance organization, the rehabilitator may use, sell, or transfer assets as provided in this section.

Subd. 2. [ORDINARY COURSE OF BUSINESS.] (a) The rehabilitator may use, sell, or transfer assets in which a person has a lien, which are not cash or cash equivalents, in the ordinary course of business without approval of the court, except that the rehabilitator must provide sufficient protection for that lien unless the lienholder consents.

(b) The rehabilitator may use, sell, or transfer cash or cash equivalents in which any person has a lien in the ordinary course of business only if:

(1) each person who has a lien in the assets consents; or

(2) after notice and a hearing, the court finds that the rehabilitator has or will provide the person who has a lien with sufficient protection for that lien.

Subd. 3. [OUT OF THE ORDINARY COURSE OF BUSINESS.] (a) The rehabilitator may use, sell, or transfer assets in which any person has a lien out of the ordinary course of business with court approval where:

(1) the person that has a lien consents; or

(2) the rehabilitator provides sufficient protection for that lien. Sufficient protection includes, but is not limited to, equivalent substitute collateral or payments in the amount approximately equal to decrease in value or amount of collateral.

(b) Any sale or transfer shall be free and clear of all lien interests, if:

(1) all persons with liens in the assets to be sold or transferred consent to the sale or transfer;

(2) the consideration for the sale or transfer exceeds the total amount of all liens in the assets to be transferred;

(3) the rehabilitator provides sufficient protection for all lien claims in the assets; or

(4) other law permits a sale or transfer free and clear of any lien.

Sec. 6. [60B.181] [NOTICE REGARDING REHABILITATION OR LIQUIDATION PROCEEDING.]

In an insolvency proceeding against a health maintenance organization, at the time the rehabilitator or liquidator gives notice to creditors and enrollees according to section 60B.26, the rehabilitator or liquidator shall also give notice that any interested party may

request in writing notice of subsequent actions or hearings in the proceeding. After the initial notice, the rehabilitator or liquidator may give notice only to those with a direct stake in any action or hearing and to those who have requested notice in writing. However, the rehabilitator or liquidator must give all claimants who timely file proofs of claims notice of any plan of rehabilitation or liquidation.

**Sec. 7. [60B.191] [CLAIMS REGARDING REHABILITATION AND LIQUIDATION OF HEALTH MAINTENANCE ORGANIZATIONS.]**

Subdivision 1. [PRIORITY OF CLAIMS.] The rehabilitator or liquidator of a health maintenance organization shall, in lieu of the classification otherwise provided in this chapter, classify all approved claims into the following classes:

(1) claims for ordinary and necessary expenses of operating and administering the health maintenance organization during rehabilitation or liquidation proceeding. Administrative expenses of a rehabilitation proceeding shall constitute administrative expenses of the liquidation proceeding;

(2) claims of the United States government for unpaid taxes;

(3) claims by persons employed by the health maintenance organization for services rendered within the four months before the initiation of any insolvency proceeding, up to \$1,000. Employee claimants shall not be entitled to any lien claim or other claim under chapter 514;

(4) claims by all providers for health care goods and services to the extent covered under a health maintenance contract between enrollees and the health maintenance organization, and claims by enrollees for coverage under a health maintenance contract with the health maintenance organization;

(5) claims which are not secured by any perfected lien or security interest in assets of the health maintenance organization and which are not otherwise classified; or

(6) claims subordinated under this chapter, chapter 62D, or by agreement with the health maintenance organization or the commissioner of health.

Subd. 2. [CLAIMS FOR MALPRACTICE.] As to a health maintenance organization, a claim shall be classified as an unsecured claim if it is made by an enrollee, a parent or guardian of an enrollee, or a person seeking contribution based on injuries to an enrollee, for damages of any type related to death or bodily illness or injury based

on improper provisions or failure to provide health care goods or services by a health maintenance organization and its employees, or a provider and its employees to an enrollee of the health maintenance organization. However, a claimant who has secured a judgment or settlement shall receive any insurance proceeds received by the health maintenance organization based on the claims or the medical care provided to the enrollee, other than reinsurance payable because the aggregate value of services to an enrollee exceeds a certain amount, less any expenses, including reasonable attorneys' fees the health maintenance organization incurred in defending the claim or prosecuting its claim against the insurer. This section does not expand the liability of health maintenance organizations on bodily injury to enrollees.

Sec. 8. [60B.193] [LIABILITY OF ENROLLEES.]

Upon any Minnesota state district court's order of rehabilitation or liquidation of a health maintenance organization under this chapter, all providers of health care goods or services to enrollees of the health maintenance organization, regardless of whether they have a written contract with the health maintenance organization, are prohibited from attempting to collect or collecting payment for authorized referrals from any enrollee of the health maintenance organization for goods or services to the extent the health maintenance organization is obligated to cover the goods and services under a health maintenance contract with the enrollee. A provider's only recourse is to file a claim against the health maintenance organization in the insolvency proceeding and to receive payment in the proceeding.

Sec. 9. Minnesota Statutes 1988, section 60B.20, is amended to read:

60B.20 [GROUNDS FOR LIQUIDATION.]

The commissioner may apply by verified petition to the district court for Ramsey county or for the county in which the principal office of the insurer is located for an order to liquidate a domestic insurer or an alien insurer domiciled in this state on any one or more of the following grounds:

(1) Any ground on which the commissioner may apply for an order of rehabilitation under section 60B.15, whenever the commissioner believes that attempts to rehabilitate the insurer would substantially increase the risk of loss to its creditors, its policyholders, or the public, or would be futile, or that rehabilitation would serve no useful purpose;

(2) That the insurer is or is about to become insolvent;

(3) That the insurer has not transacted the business for which it was organized or incorporated during the previous 12 months or has transacted only a token such business during that period, although authorized to do so throughout that period, or that more than 12 months after incorporation it has failed to become authorized to do the business for which it was organized or incorporated;

(4) That the insurer has commenced, or within the previous year has attempted to commence, voluntary dissolution or liquidation otherwise than as provided in section 60B.04, subdivision 3 in the case of a solvent insurer;

(5) That the insurer has concealed records or assets from the commissioner or improperly removed them from the jurisdiction, or the commissioner believes that the insurer is about to do so;

(6) That the insurer does not satisfy the requirements that would be applicable if it were seeking initial authorization in this state to do the business for which it was organized or incorporated, except for:

(a) (i) Requirements that are intended to apply only at the time the initial authorization to do business is obtained, and not thereafter; and

(b) (ii) Requirements that are expressly made inapplicable by the laws establishing the requirements;

(7) That the holders of two-thirds of the shares entitled to vote, or two-thirds of the members or policyholders entitled to vote in an insurer controlled by its members or policyholders, have consented to a petition;

(8) In addition to the grounds in clauses (1) to (7), any one of the following constitutes grounds for liquidation of a health maintenance organization:

(i) the health maintenance organization is unable or is expected to be unable to meet its debts as they become due;

(ii) grounds exist under section 62D.042, subdivision 7;

(iii) the health maintenance organization's liabilities exceed the current value of its assets, exclusive of intangibles and, where the guaranteeing organization's financial condition no longer meets the requirements of sections 62D.041 and 62D.042, exclusive of any deposits, letters of credit, or guarantees provided by any guaranteeing organization under chapter 62D;

(iv) within the last year the health maintenance organization has



failed, and the commissioner of health expects failure to continue in the future, to make comprehensive medical care adequately available and accessible to its enrollees and the health maintenance organization has not successfully implemented a plan of corrective action pursuant to section 62D.121, subdivision 7; and

(v) within the last year the directors or officers of the health maintenance organization willfully violated the requirements of section 317A.251, or having become aware within the previous year of an unintentional or willful violation of section 317A.251, have failed to take all reasonable steps to remedy the situation resulting from the violation and to prevent the same violation in the future.

Sec. 10. Minnesota Statutes 1988, section 60B.25, is amended to read:

#### 60B.25 [POWERS OF LIQUIDATOR.]

The liquidator shall report to the court monthly, or at other intervals specified by the court, on the progress of the liquidation in whatever detail the court orders. The liquidator shall coordinate having an interest in the liquidation and shall submit a report detailing how coordination will be achieved to the court for its approval within 30 days following appointment, or within the time which the court, in its discretion, may establish. Subject to the court's control, the liquidator may:

(1) Appoint a special deputy to act under sections 60B.01 to 60B.61 and determine the deputy's compensation. The special deputy shall have all powers of the liquidator granted by this section. The special deputy shall serve at the pleasure of the liquidator.

(2) Appoint or engage employees and agents, actuaries, accountants, appraisers, consultants, and other personnel deemed necessary to assist in the liquidation without regard to chapter 14.

(3) Fix the compensation of persons under clause (2), subject to the control of the court.

(4) Defray all expenses of taking possession of, conserving, conducting, liquidating, disposing of, or otherwise dealing with the business and property of the insurer. If the property of the insurer does not contain sufficient cash or liquid assets to defray the costs incurred, the liquidator may advance the costs so incurred out of the appropriation made to the department of commerce. Any amounts so paid shall be deemed expense of administration and shall be repaid for the credit of the department of commerce out of the first available money of the insurer.

(5) Hold hearings, subpoena witnesses and compel their atten-

dance, administer oaths, examine any person under oath and compel any person to subscribe to testimony after it has been correctly reduced to writing, and in connection therewith require the production of any books, papers, records, or other documents which the liquidator deems relevant to the inquiry.

(6) Collect all debts and moneys due and claims belonging to the insurer, wherever located, and for this purpose institute timely action in other jurisdictions, in order to forestall garnishment and attachment proceedings against such debts; do such other acts as are necessary or expedient to collect, conserve, or protect its assets or property, including sell, compound, compromise, or assign for purposes of collection, upon such terms and conditions as the liquidator deems best, any bad or doubtful debts; and pursue any creditor's remedies available to enforce claims.

(7) Conduct public and private sales of the property of the insurer in a manner prescribed by the court.

(8) Use assets of the estate to transfer coverage obligations to a solvent assuming insurer, if the transfer can be arranged without prejudice to applicable priorities under section 60B.44.

(9) Acquire, hypothecate, encumber, lease, improve, sell, transfer, abandon, or otherwise dispose of or deal with any property of the insurer at its market value or upon such terms and conditions as are fair and reasonable, except that no transaction involving property the market value of which exceeds \$10,000 shall be concluded without express permission of the court. The liquidator may also execute, acknowledge, and deliver any deeds, assignments, releases, and other instruments necessary or proper to effectuate any sale of property or other transaction in connection with the liquidation. In cases where real property sold by the liquidator is located other than in the county where the liquidation is pending, the liquidator shall cause to be filed with the county recorder for the county in which the property is located a certified copy of the order of appointment.

(10) Borrow money on the security of the insurer's assets or without security and execute and deliver all documents necessary to that transaction for the purpose of facilitating the liquidation.

(11) Enter into such contracts as are necessary to carry out the order to liquidate, and affirm or disavow any contracts to which the insurer is a party.

(12) Continue to prosecute and institute in the name of the insurer or in the liquidator's own name any suits and other legal proceedings, in this state or elsewhere, and abandon the prosecution of claims the liquidator deems unprofitable to pursue further. If the insurer is dissolved under section 60B.23, the liquidator may apply

to any court in this state or elsewhere for leave to be substituted for the insurer as plaintiff.

(13) Prosecute any action which may exist in behalf of the creditors, members, policyholders, or shareholders of the insurer against any officer of the insurer, or any other person.

(14) Remove any records and property of the insurer to the offices of the commissioner or to such other place as is convenient for the purposes of efficient and orderly execution of the liquidation.

(15) Deposit in one or more banks in this state such sums as are required for meeting current administration expenses and dividend distributions.

(16) Deposit with the state board of investment for investment pursuant to section 11A.24, all sums not currently needed, unless the court orders otherwise.

(17) File any necessary documents for record in the office of any county recorder or record office in this state or elsewhere where property of the insurer is located.

(18) Assert all defenses available to the insurer as against third persons, including statutes of limitations, statutes of frauds, and the defense of usury. A waiver of any defense by the insurer after a petition for liquidation has been filed shall not bind the liquidator.

(19) Exercise and enforce all the rights, remedies, and powers of any creditor, shareholder, policyholder, or member, including any power to avoid any transfer or lien that may be given by law and that is not included within sections 60B.30 and 60B.32.

(20) Intervene in any proceeding wherever instituted that might lead to the appointment of a receiver or trustee, and act as the receiver or trustee whenever the appointment is offered.

(21) Enter into agreements with any receiver or commissioner of any other state relating to the rehabilitation, liquidation, conservation, or dissolution of an insurer doing business in both states.

(22) Exercise all powers now held or hereafter conferred upon receivers by the laws of this state not inconsistent with sections 60B.01 to 60B.61.

(23) The enumeration in this section of the powers and authority of the liquidator is not a limitation, nor does it exclude the right to do such other acts not herein specifically enumerated or otherwise provided for as are necessary or expedient for the accomplishment of or in aid of the purpose of liquidation.

(24) The power of the liquidator of a health maintenance organization includes the power to transfer coverage obligations to a solvent and voluntary health maintenance organization, insurer, or nonprofit health service plan, and to assign provider contracts of the insolvent health maintenance organization to an assuming health maintenance organization, insurer, or nonprofit health service plan permitted to enter into such agreements. The liquidator is not required to meet the notice requirements of section 62D.121. Transferees of coverage obligations or provider contracts shall have no liability to creditors or obligees of the health maintenance organization except those liabilities expressly assumed.

Sec. 11. Minnesota Statutes 1988, section 62D.02, subdivision 15, is amended to read:

Subd. 15. "Net worth" means admitted assets, as defined in section 62D.044, minus liabilities. Liabilities do not include those obligations that are subordinated in the same manner as preferred ownership claims under section 60B.44, subdivision 10. For purposes of this subdivision, preferred ownership claims under section 60B.44, subdivision 10, include promissory notes subordinated to all other liabilities of the health maintenance organization.

Sec. 12. Minnesota Statutes 1988, section 62D.03, subdivision 4, is amended to read:

Subd. 4. Each application for a certificate of authority shall be verified by an officer or authorized representative of the applicant, and shall be in a form prescribed by the commissioner of health. Each application shall include the following:

(a) a copy of the basic organizational document, if any, of the applicant and of each major participating entity; such as the articles of incorporation, or other applicable documents, and all amendments thereto;

(b) a copy of the bylaws, rules and regulations, or similar document, if any, and all amendments thereto which regulate the conduct of the affairs of the applicant and of each major participating entity;

(c) a list of the names, addresses, and official positions of the following:

(1) all members of the board of directors, or governing body of the local government unit, and the principal officers and shareholders of the applicant organization; and

(2) all members of the board of directors, or governing body of the local government unit, and the principal officers of the major

participating entity and each shareholder beneficially owning more than ten percent of any voting stock of the major participating entity;

The commissioner may by rule identify persons included in the term "principal officers";

(d) a full disclosure of the extent and nature of any contract or financial arrangements between the following:

(1) the health maintenance organization and the persons listed in clause (c)(1);

(2) the health maintenance organization and the persons listed in clause (c)(2);

(3) each major participating entity and the persons listed in clause (c)(1) concerning any financial relationship with the health maintenance organization; and

(4) each major participating entity and the persons listed in clause (c)(2) concerning any financial relationship with the health maintenance organization;

(e) the name and address of each participating entity and the agreed upon duration of each contract or agreement;

(f) a copy of the form of each contract binding the participating entities and the health maintenance organization. Contractual provisions shall be consistent with the purposes of sections 62D.01 to 62D.30, in regard to the services to be performed under the contract, the manner in which payment for services is determined, the nature and extent of responsibilities to be retained by the health maintenance organization, the nature and extent of risk sharing permissible, and contractual termination provisions;

(g) a copy of each contract binding major participating entities and the health maintenance organization. Contract information filed with the commissioner shall be confidential and subject to the provisions of section 13.37, subdivision 1, clause (b), upon the request of the health maintenance organization.

Upon initial filing of each contract, the health maintenance organization shall file a separate document detailing the projected annual expenses to the major participating entity in performing the contract and the projected annual revenues received by the entity from the health maintenance organization for such performance. The commissioner shall disapprove any contract with a major participating entity if the contract will result in an unreasonable

expense under section 62D.19. The commissioner shall approve or disapprove a contract within 30 days of filing.

Within 120 days of the anniversary of the implementation of each contract, the health maintenance organization shall file a document detailing the actual expenses incurred and reported by the major participating entity in performing the contract in the proceeding year and the actual revenues received from the health maintenance organization by the entity in payment for the performance.

Contracts implemented prior to April 25, 1984, shall be filed within 90 days of April 25, 1984. These contracts are subject to the provisions of section 62D.19, but are not subject to the prospective review prescribed by this clause, unless or until the terms of the contract are modified. Commencing with the next anniversary of the implementation of each of these contracts immediately following filing, the health maintenance organization shall, as otherwise required by this subdivision, file annual actual expenses and revenues.

(h) a statement generally describing the health maintenance organization, its health maintenance contracts and separate health service contracts, facilities, and personnel, including a statement describing the manner in which the applicant proposes to provide enrollees with comprehensive health maintenance services and separate health services;

(i) a copy of the form of each evidence of coverage to be issued to the enrollees;

(j) a copy of the form of each individual or group health maintenance contract and each separate health service contract which is to be issued to enrollees or their representatives;

(k) financial statements showing the applicant's assets, liabilities, and sources of financial support. If the applicant's financial affairs are audited by independent certified public accountants, a copy of the applicant's most recent certified financial statement may be deemed to satisfy this requirement;

(l) a description of the proposed method of marketing the plan, a schedule of proposed charges, and a financial plan which includes a three-year projection of the expenses and income and other sources of future capital;

(m) a statement reasonably describing the geographic area or areas to be served and the type or types of enrollees to be served;

(n) a description of the complaint procedures to be utilized as required under section 62D.11;

(o) a description of the procedures and programs to be implemented to meet the requirements of section 62D.04, subdivision 1, clauses (b) and (c) and to monitor the quality of health care provided to enrollees;

(p) a description of the mechanism by which enrollees will be afforded an opportunity to participate in matters of policy and operation under section 62D.06;

(q) a copy of any agreement between the health maintenance organization and an insurer or nonprofit health service corporation regarding reinsurance, stop-loss coverage, insolvency coverage, or any other type of coverage for potential costs of health services, as authorized in sections 62D.04, subdivision 1, clause (f), 62D.05, subdivision 3, and 62D.13; and

(r) a copy of the conflict of interest policy which applies to all members of the board of directors and the principal officers of the health maintenance organization, as described in section 62D.04, subdivision 1, paragraph (g). All currently licensed health maintenance organizations shall also file a conflict of interest policy with the commissioner within 60 days after the effective date of this provision or at a later date if approved by the commissioner;

(s) a copy of the statement that describes the health maintenance organization's prior authorization administrative procedures;

(t) a copy of the agreement between the guaranteeing organization and the health maintenance organization, as described in section 62D.043, subdivision 6; and

(u) other information as the commissioner of health may reasonably require to be provided.

Sec. 13. Minnesota Statutes 1988, section 62D.04, subdivision 1, is amended to read:

Subdivision 1. Upon receipt of an application for a certificate of authority, the commissioner of health shall determine whether the applicant for a certificate of authority has:

(a) demonstrated the willingness and potential ability to assure that health care services will be provided in such a manner as to enhance and assure both the availability and accessibility of adequate personnel and facilities;

(b) arrangements for an ongoing evaluation of the quality of health care;

(c) a procedure to develop, compile, evaluate, and report statistics

relating to the cost of its operations, the pattern of utilization of its services, the quality, availability and accessibility of its services, and such other matters as may be reasonably required by regulation of the commissioner of health;

(d) reasonable provisions for emergency and out of area health care services;

(e) demonstrated that it is financially responsible and may reasonably be expected to meet its obligations to enrollees and prospective enrollees. In making this determination, the commissioner of health shall require the amounts of net worth and working capital required in section 62D.042, the deposit required in section 62D.041, and in addition shall consider:

(1) the financial soundness of its arrangements for health care services and the proposed schedule of charges used in connection therewith;

(2) arrangements which will guarantee for a reasonable period of time the continued availability or payment of the cost of health care services in the event of discontinuance of the health maintenance organization; and

(3) agreements with providers for the provision of health care services;

(f) demonstrated that it will assume full financial risk on a prospective basis for the provision of comprehensive health maintenance services, including hospital care; provided, however, that the requirement in this paragraph shall not prohibit the following:

(1) a health maintenance organization from obtaining insurance or making other arrangements (i) for the cost of providing to any enrollee comprehensive health maintenance services, the aggregate value of which exceeds \$5,000 in any year, (ii) for the cost of providing comprehensive health care services to its members on a nonelective emergency basis, or while they are outside the area served by the organization, or (iii) for not more than 95 percent of the amount by which the health maintenance organization's costs for any of its fiscal years exceed 105 percent of its income for such fiscal years; and

(2) a health maintenance organization from having a provision in a group health maintenance contract allowing an adjustment of premiums paid based upon the actual health services utilization of the enrollees covered under the contract, except that at no time during the life of the contract shall the contract holder fully self-insure the financial risk of health care services delivered under



the contract. Risk sharing arrangements shall be subject to the requirements of sections 62D.01 to 62D.30;

(g) demonstrated that it has made provisions for and adopted a conflict of interest policy applicable to all members of the board of directors and the principal officers of the health maintenance organization. The conflict of interest policy shall include the procedures described in section 317A.255, subdivisions 1 and 2. However, the commissioner is not precluded from finding that a particular transaction is an unreasonable expense as described in section 62D.19 even if the directors follow the required procedures; and

(h) otherwise met the requirements of sections 62D.01 to 62D.30.

Sec. 14. Minnesota Statutes 1988, section 62D.041, subdivision 2, is amended to read:

Subd. 2. [REQUIRED DEPOSIT.] Each health maintenance organization shall deposit with any organization or trustee acceptable to the commissioner through which a custodial or controlled account is utilized, bankable funds in the cash amount required in this section. The commissioner may allow a health maintenance organization's deposit requirement to be met funded by a guaranteeing organization, as defined in section 62D.042, subdivision 1, based on the criteria set out in section 62D.042, subdivision 5 62D.043.

Sec. 15. [62D.043] [GUARANTEEING ORGANIZATIONS.]

Subdivision 1. [DEFINITION.] (a) For purposes of this section, a "guaranteeing organization" means an organization that has agreed to assume the responsibility for the obligation of the health maintenance organization's net worth requirement.

Subd. 2. [RESPONSIBILITIES OF GUARANTEEING ORGANIZATION.] Upon an order of rehabilitation or liquidation, a guaranteeing organization shall transfer funds to the commissioner in the amount necessary to satisfy the net worth requirement.

Subd. 3. [REQUIREMENTS FOR GUARANTEEING ORGANIZATION.] (a) An organization's net worth requirement may be guaranteed provided that the guaranteeing organization:

(1) transfers into a restricted asset account cash or securities permitted by section 61A.28, subdivisions 2, 5, and 6, in an amount necessary to satisfy the net worth requirement. Restricted asset accounts shall be considered admitted assets for the purpose of determining whether a guaranteeing organization is maintaining sufficient net worth. Permitted securities shall not be transferred to the restricted asset account in excess of the limits applied to the

health maintenance organization, unless approved by the commissioner in advance;

(2) designates the restricted asset account specifically for the purpose of funding the health maintenance organization's net worth requirement;

(3) maintains positive working capital subsequent to establishing the restricted asset account, if applicable;

(4) maintains net worth, retained earnings, or surplus in an amount in excess of the amount of the restricted asset account, if applicable, and allows the guaranteeing organization:

(i) to remain a solvent business organization, which shall be evaluated on the basis of the guaranteeing organization's continued ability to meet its maturing obligations without selling substantially all its operating assets and paying debts when due; and

(ii) to be in compliance with any state or federal statutory net worth, surplus, or reserve requirements applicable to that organization or lesser requirements agreed to by the commissioner; and

(5) fulfills requirements of clauses (1) to (4) by April 1 of each year.

(b) The commissioner may require the guaranteeing organization to complete the requirements of paragraph (a) more frequently if the amount necessary to satisfy the net worth requirement increases during the year.

Subd. 4. [EXCEPTIONS TO REQUIREMENTS.] When a guaranteeing organization is a governmental entity, subdivision 3 is not applicable. The commissioner may consider factors which provide evidence that the governmental entity is a financially reliable guaranteeing organization. Similarly, when a guaranteeing organization is a Minnesota-licensed health maintenance organization, health service plan corporation, or insurer, subdivision 3, paragraphs (1) and (2), are not applicable.

Subd. 5. [AMOUNTS NEEDED TO MEET NET WORTH REQUIREMENTS.] The amount necessary for a guaranteeing organization to satisfy the health maintenance organization's net worth requirement shall be the lesser of:

(1) an amount needed to bring the health maintenance organization's net worth to the amount required by section 62D.042; or

(2) an amount agreed to by the guaranteeing organization.

Subd. 6. [CONSOLIDATED CALCULATIONS FOR GUARANTEED HEALTH MAINTENANCE ORGANIZATIONS.] If a guaranteeing organization guarantees one or more health maintenance organizations, the guaranteeing organization may calculate the amount necessary to satisfy the health maintenance organizations' net worth requirements on a consolidated basis. Liabilities of the health maintenance organization to the guaranteeing organization must be subordinated in the same manner as preferred ownership claims under section 60B.44, subdivision 10.

Subd. 7. [AGREEMENT BETWEEN GUARANTEERING ORGANIZATION AND HEALTH MAINTENANCE ORGANIZATION.] A written agreement between the guaranteeing organization and the health maintenance organization must include the commissioner as a party and include the following provisions:

(1) any or all of the funds needed to satisfy the health maintenance organization's net worth requirement shall be transferred, unconditionally and upon demand, according to subdivision 2;

(2) the arrangement shall not terminate for any reason without the commissioner being notified of the termination at least nine months in advance. The arrangement may terminate earlier if net worth requirements will be satisfied under other arrangements, as approved by the commissioner;

(3) the guaranteeing organization shall pay or reimburse the commissioner for all costs and expenses, including reasonable attorney fees and costs, incurred by the commissioner in connection with the protection, defense, or enforcement of the guarantee;

(4) the guaranteeing organization shall waive all defenses and claims it may have or the health maintenance organization may have pertaining to the guarantee including, but not limited to, waiver, release, res judicata, statute of frauds, lack of authority, usury, illegality;

(5) the guaranteeing organization waives present demand for payment, notice of dishonor or nonpayment and protest, and the commissioner shall not be required to first resort for payment to other sources or other means before enforcing the guarantee;

(6) the guarantee may not be waived, modified, amended, terminated, released, or otherwise changed except as provided by the guarantee agreement, and as provided by applicable statutes;

(7) the guaranteeing organization waives its rights under the Federal Bankruptcy Code, United States Code, title 11, section 303, to initiate involuntary proceedings against the health maintenance organization and agrees to submit to the jurisdiction of the commis-

sioner and Minnesota state courts in any rehabilitation or liquidation of the health maintenance organization;

(8) the guarantee shall be governed by and construed and enforced according to the laws of the state of Minnesota; and

(9) the guarantee must be approved by the commissioner.

Subd. 8. [SUBMISSION OF GUARANTEEING ORGANIZATION'S FINANCIAL STATEMENTS.] Health maintenance organizations shall submit to the commissioner the guaranteeing organization's audited financial statements annually by April 1 or at a different date if agreed to by the commissioner. The health maintenance organization shall also provide other financial information regarding a guaranteeing organization as may be requested by the commissioner.

Subd. 9. [PERFORMANCE AS GUARANTEEING ORGANIZATION VOLUNTARY.] No provider may be compelled to serve as a guaranteeing organization.

Subd. 10. [GUARANTOR STATUS IN REHABILITATION OR LIQUIDATION.] Any or all of the funds in excess of the amounts needed to satisfy the health maintenance organization's obligations as of the date of an order of liquidation or rehabilitation shall be returned to the guaranteeing organization in the same manner as preferred ownership claims under section 60B.44, subdivision 10.

Sec. 16. Minnesota Statutes 1988, section 62D.044, is amended to read:

62D.044 [ADMITTED ASSETS.]

"Admitted assets" includes only the investments allowed by section 62D.045 and the following:

(1) petty cash and other cash funds in the organization's principal or official branch office that are under the organization's control;

(2) immediately withdrawable funds on deposit in demand accounts, in a bank or trust company organized and regularly examined under the laws of the United States or any state, and insured by an agency of the United States government, or like funds actually in the principal or official branch office at statement date, and, in transit to a bank or trust company with authentic deposit credit given before the close of business on the fifth bank working day following the statement date;

(3) the amount fairly estimated as recoverable on cash deposited

in a closed bank or trust company, if the assets qualified under this section before the suspension of the bank or trust company;

(4) bills and accounts receivable that are collateralized by securities in which the organization is authorized to invest;

(5) premiums due from groups or individuals that are not more than 90 days past due;

(6) amounts due under reinsurance arrangements from insurance companies authorized to do business in this state;

(7) tax refunds due from the United States or this state;

(8) interest accrued on mortgage loans not exceeding in aggregate one year's total due and accrued interest on an individual loan;

(9) the rents due to the organization on real and personal property, directly or beneficially owned, not exceeding the amount of one year's total due and accrued rent on each individual property;

(10) interest or rents accrued on conditional sales agreements, security interests, chattel mortgages, and real or personal property under lease to other corporations that do not exceed the amount of one year's total due and accrued interest or rent on an individual investment;

(11) the fixed required interest due and accrued on bonds and other evidences of indebtedness that are not in default;

(12) dividends receivable on shares of stock, provided that the market price for valuation purposes does not include the value of the dividend;

(13) the interest on dividends due and payable, but not credited, on deposits in banks and trust companies or on accounts with savings and loan associations;

(14) interest accrued on secured loans that do not exceed the amount of one year's interest on any loan;

(15) interest accrued on tax anticipation warrants;

(16) the amortized value of electronic computer or data processing machines or systems purchased for use in the business of the organization, including software purchased and developed specifically for the organization's use;

(17) the cost of furniture, equipment, and medical equipment, less accumulated depreciation thereon, and medical and pharmaceutical

supplies that are used to deliver health care and are under the organization's control, provided the assets do not exceed 30 percent of admitted assets;

(18) amounts currently due from an affiliate that has liquid assets with which to pay the balance and maintain its accounts on a current basis. Any amount outstanding more than three months is not current;

(19) amounts on deposit under section 62D.041; and

(20) accounts receivable from participating health care providers that are not more than 60 days past due; and

(21) investments allowed by section 62D.045, except for investments in securities and properties described under section 61A.284.

Sec. 17. Minnesota Statutes 1988, section 62D.08, subdivision 1, is amended to read:

Subdivision 1. A health maintenance organization shall, unless otherwise provided for by rules adopted by the commissioner of health, file notice with the commissioner of health prior to any modification of the operations or documents described in the information submitted under clauses (a), (b), (e), (f), (g), (i), (j), (l), (m), (n), (o), (p), (q) ~~and~~ (r), (s), and (t) of section 62D.03, subdivision 4. If the commissioner of health does not disapprove of the filing within ~~30~~ 60 days, it shall be deemed approved and may be implemented by the health maintenance organization.

Sec. 18. Minnesota Statutes 1988, section 62D.08, subdivision 2, is amended to read:

Subd. 2. Every health maintenance organization shall annually, on or before April 1, file a verified report with the commissioner of health ~~and to the commissioner of commerce~~ covering the preceding calendar year. However, utilization data required under subdivision 3, clause (c), shall be filed on or before July 1.

Sec. 19. Minnesota Statutes 1988, section 62D.08, subdivision 6, is amended to read:

Subd. 6. A health maintenance organization shall submit to the commissioner unaudited financial statements of the organization ~~on a quarterly basis for the first three quarters of the year on forms prescribed by the commissioner. The statements are due 30 days after the end of each the quarter and shall be maintained as nonpublic data, as defined by section 13.02, subdivision 9. Unaudited financial statements for the fourth quarter shall be submitted at the request of the commissioner.~~

Sec. 20. Minnesota Statutes 1988, section 62D.11, subdivision 1a, is amended to read:

Subd. 1a. Where a complaint involves a dispute about a health maintenance organization's coverage of an immediately and urgently needed a service, the commissioner may either (a) review the complaint and any information and testimony necessary in order to make a determination and order the appropriate remedy pursuant to sections 62D.15 to 62D.17, or (b) order the health maintenance organization to use an expedited system to process the complaint.

Sec. 21. Minnesota Statutes 1988, section 62D.11, is amended by adding a subdivision to read:

Subd. 1b. [EXPEDITED RESOLUTION OF COMPLAINTS ABOUT URGENTLY NEEDED SERVICE.] In addition to any remedy contained in subdivision 1a, when a complaint involves a dispute about a health maintenance organization's coverage of an immediately and urgently needed service, the commissioner may also order the health maintenance organization to use an expedited system to process the complaint.

Sec. 22. Minnesota Statutes 1988, section 62D.11, subdivision 4, is amended to read:

Subd. 4. [COVERAGE OF SERVICE.] A health maintenance organization may not deny or limit coverage of a service which the enrollee has already received:

(1) solely on the basis of lack of prior authorization or second opinion, to the extent that the service would otherwise have been covered under the member's contract by the health maintenance organization had prior authorization or second opinion been obtained; or

(2) from a nonparticipating provider, if (i) the service was ordered or recommended by a participating provider; (ii) the service would otherwise be covered, or was part of a discharge plan of a participating provider; and (iii) the enrollee was not given prior written notice stating that this service by a nonparticipating provider would not be covered, and listing the participating providers of this service available in the enrollee's area.

Sec. 23. Minnesota Statutes 1988, section 62D.121, is amended by adding a subdivision to read:

Subd. 2a. [REPLACEMENT COVERAGE.] The terminating health maintenance organization may also offer as replacement coverage health maintenance organization coverage issued by another health maintenance organization.

Sec. 24. Minnesota Statutes 1989 Supplement, section 62D.121, subdivision 3, is amended to read:

Subd. 3. If health maintenance organization replacement coverage is not provided offered by the health maintenance organization, as explained under subdivision subdivisions 2 and 2a, the replacement coverage shall provide, for enrollees covered by title XVIII of the Social Security Act, coverage at least equivalent to a basic Medicare supplement plan as defined in section 62A.316, except that the replacement coverage shall also cover the liability for any Medicare part A and part B deductible as defined under title XVIII of the Social Security Act. After satisfaction of the Medicare part B deductible, the replacement coverage shall be based on 120 percent of the at least 80 percent of usual and customary medical expenses and supplies not covered by Medicare part B eligible expenses less the Medicare part B payment amount. This does not include outpatient prescription drugs. The fee or premium of the replacement coverage shall not exceed the premium charged by the state comprehensive health plan as established under section 62E.08, for a qualified Medicare supplement plan. All enrollees not covered by Medicare shall be given the option of a number three qualified plan or a number two qualified plan as defined in section 62E.06, subdivisions 1 and 2, for replacement coverage. The fee or premium for a number three qualified plan shall not exceed 125 percent of the average of rates charged by the five insurers with the largest number of individuals in a number three qualified plan of insurance in force in Minnesota. The fee or premium for a number two qualified plan shall not exceed 125 percent of the average of rates charged by the five insurers with the largest number of individuals in a number two qualified plan of insurance in force in Minnesota.

Subd. 3a. If the replacement coverage is health maintenance organization coverage, as explained in subdivisions 2 and 2a, the fee shall not exceed 125 percent of the cost of the average fee charged by health maintenance organizations for a similar health plan. The commissioner of health will determine the average cost of the plan on the basis of information provided annually by the health maintenance organizations concerning the rates charged by the health maintenance organizations for the plans offered. Fees or premiums charged under this section must be actuarially justified.

Sec. 25. Minnesota Statutes 1988, section 62D.17, subdivision 1, is amended to read:

Subdivision 1. The commissioner of health may, for any violation of statute or rule applicable to a health maintenance organization, or in lieu of suspension or revocation of a certificate of authority under section 62D.15, levy an administrative penalty in an amount up to ~~\$10,000~~ \$25,000 for each violation. In the case of contracts or agreements made pursuant to section 62D.05, subdivisions 2 to 4, each contract or agreement entered into or implemented in a



manner which violates sections 62D.01 to 62D.30 shall be considered a separate violation. In determining the level of an administrative penalty, the commissioner shall consider the following factors:

- (1) the number of enrollees affected by the violation;
- (2) the effect of the violation on enrollees' health and access to health services;
- (3) if only one enrollee is affected, the effect of the violation on that enrollee's health;
- (4) whether the violation is an isolated incident or part of a pattern of violations; and
- (5) the economic benefits derived by the health maintenance organization or a participating provider by virtue of the violation.

Reasonable notice in writing to the health maintenance organization shall be given of the intent to levy the penalty and the reasons therefor, and the health maintenance organization may have 15 days within which to file a written request for an administrative hearing and review of the commissioner of health's determination. Such administrative hearing shall be subject to judicial review pursuant to chapter 14.

Sec. 26. Minnesota Statutes 1988, section 62D.17, subdivision 4, is amended to read:

Subd. 4. (a) The commissioner of health may issue an order directing a health maintenance organization or a representative of a health maintenance organization to cease and desist from engaging in any act or practice in violation of the provisions of sections 62D.01 to 62D.30.

(1) The cease and desist order may direct a health maintenance organization to pay for or provide a service when that service is required by statute or rule to be provided.

(2) The commissioner may issue a cease and desist order directing a health maintenance organization to pay for a service that is required by statute or rule to be provided, only if there is a demonstrable and irreparable harm to the public or an enrollee.

(3) If the cease and desist order involves a dispute over the medical necessity of a procedure based on its experimental nature, the commissioner may issue a cease and desist order only if the following conditions are met:

(i) the commissioner has consulted with appropriate and identified experts;

(ii) the commissioner has reviewed relevant scientific and medical literature; and

(iii) the commissioner has considered all other relevant factors including whether final approval of the technology or procedure has been granted by the appropriate government agency; the availability of scientific evidence concerning the effect of the technology or procedure on health outcomes; the availability of scientific evidence that the technology or procedure is as beneficial as established alternatives; and the availability of evidence of benefit or improvement without the technology or procedure.

(b) Within 20 days after service of the order to cease and desist, the respondent may request a hearing on the question of whether acts or practices in violation of sections 62D.01 to 62D.30 have occurred. Such hearings shall be subject to judicial review as provided by chapter 14.

If the acts or practices involve violation of the reporting requirements of section 62D.08, or if the commissioner of commerce has ordered the rehabilitation, liquidation, or conservation of the health maintenance organization in accordance with section 62D.18, the health maintenance organization may request an expedited hearing on the matter. The hearing shall be held within 15 days of the request. Within ten days thereafter, an administrative law judge shall issue a recommendation on the matter. The commissioner shall make a final determination on the matter within ten days of receipt of the administrative law judge's recommendation.

When a request for a stay accompanies the hearing request, the matter shall be referred to the office of administrative hearings within three working days of receipt of the request. Within ten days thereafter, an administrative law judge shall issue a recommendation to grant or deny the stay. The commissioner shall grant or deny the stay within five days of receipt of the administrative law judge's recommendation.

To the extent the acts or practices alleged do not involve (1) violations of section 62D.08; (2) violations which may result in the financial insolvency of the health maintenance organization; (3) violations which threaten the life and health of enrollees; (4) violations which affect whole classes of enrollees; or (5) violations of benefits or service requirements mandated by law; if a timely request for a hearing is made, the cease and desist order shall be stayed for a period of 90 days from the date the hearing is requested or until a final determination is made on the order, whichever is earlier. During this stay, the respondent may show cause why the order should not become effective upon the expiration of the stay.

Arguments on this issue shall be made through briefs filed with the administrative law judge no later than ten days prior to the expiration of the stay.

Sec. 27. Minnesota Statutes 1988, section 62D.18, subdivision 1, is amended to read:

Subdivision 1. [COMMISSIONER OF HEALTH; ORDER.] The commissioner of health may ~~independently~~ order the rehabilitation or liquidation of health maintenance organizations. The rehabilitation or liquidation of a health maintenance organization shall be conducted under the supervision of the commissioner under the procedures in chapter 60B, except to the extent that the nature of health maintenance organizations renders the procedures clearly inappropriate and as provided in ~~subdivisions 2 to 7~~ this subdivision. A health maintenance organization shall be considered an insurance company for the purposes of rehabilitation or liquidation as provided in subdivisions 2 to 7.

Sec. 28. Minnesota Statutes 1988, section 62D.211, is amended to read:

62D.211 [RENEWAL FEE.]

Each health maintenance organization subject to sections 62D.01 to 62D.30 shall submit to the commissioner of health each year before ~~April 1~~ June 15 a certificate of authority renewal fee in the amount of \$10,000 each plus 20 cents per person enrolled in the health maintenance organization on December 31 of the preceding year. The commissioner may adjust the renewal fee in rule under the provisions of chapter 14.

Sec. 29. Laws 1988, chapter 434, section 24, is amended to read:

Sec. 24. [REPEALER.]

Laws 1984, chapter 464, sections 29 and 40, are repealed. Section 14 is repealed ~~June 30, 1990~~ 1992.

Sec. 30. [REPEALER.]

Minnesota Statutes 1988, sections 62D.12, subdivision 16; and 62D.18, subdivisions 2, 3, and 5, are repealed.

Delete the title and insert:

"A bill for an act relating to health; establishing requirements for rehabilitating or liquidating a health maintenance organization; specifying requirements for a health maintenance organization application for a certificate; establishing protections against con-

flicts of interest; establishing requirements for a guaranteeing organization; including certain investments as admitted assets; requiring an expedited resolution of disputes about coverage of immediately and urgently needed service; allowing replacement coverage by other health maintenance organizations; allowing appointment of a special examiner; amending Minnesota Statutes 1988, sections 60B.04, subdivision 1; 60B.15; 60B.17, subdivision 2, and by adding a subdivision; 60B.20; 60B.25; 62D.02, subdivision 15; 62D.03, subdivision 4; 62D.04, subdivision 1; 62D.041, subdivision 2; 62D.044; 62D.08, subdivisions 1, 2, and 6; 62D.11, subdivisions 1a, 4, and by adding a subdivision; 62D.121, by adding a subdivision; 62D.17, subdivisions 1 and 4; 62D.18, subdivision 1; 62D.211; Minnesota Statutes 1989 Supplement, section 62D.121, subdivision 3; Laws 1988, chapter 434, section 24; proposing coding for new law in Minnesota Statutes, chapters 60B; and 62D; repealing Minnesota Statutes 1988, sections 62D.12, subdivision 16; 62D.18, subdivisions 2, 3, and 5."

The motion prevailed and the amendment was adopted.

Greenfield moved to amend S. F. No. 1940, as amended, as follows:

Pages 1 and 2, delete section 1 and insert:

"Section 1. Minnesota Statutes 1988, section 60B.03, subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of commerce of the state of Minnesota and, in ~~the~~ that commissioner's absence or disability, a deputy or other person duly designated to act in ~~the~~ that commissioner's place. In the context of rehabilitation or liquidation of a health maintenance organization, "commissioner" means the commissioner of health of the state of Minnesota and, in that commissioner's absence or disability, a deputy or other person duly designated to act in that commissioner's place."

Page 5, line 11, after "(18)" insert "In the context of a health maintenance organization, "insurer" when used in clauses (1) to (17) means "health maintenance organization.""

Page 5, line 24, after "(d)" insert "in addition to grounds under clause (16)."

Page 5, line 31, after "(e)" insert "in addition to grounds under clause (16)."

Page 12, line 9, after "(8)" insert "In the context of a health maintenance organization, "insurer" when used in clauses (1) to (7) means "health maintenance organization.""

Page 16, after line 29, insert:

"Sec. 11. Minnesota Statutes 1988, section 61A.284, is amended by adding a subdivision to read:

Subd. 3. [INVESTMENTS IN HEALTH MAINTENANCE ORGANIZATIONS.] An investment in a health maintenance organization may be deemed by a domestic life insurance company to be an investment under this section.

Sec. 12. Minnesota Statutes 1988, section 62D.02, subdivision 3, is amended to read:

Subd. 3. "Commissioner of health" or "commissioner" means the state commissioner of health or a designee."

Page 26, line 15, after "other" insert "relevant"

Page 31, line 4, after "customary" insert "eligible"

Page 33, lines 31 to 32, strike "of commerce"

Page 34, lines 30 to 32, strike "order the rehabilitation or liquidation of health maintenance organizations" and insert "apply by verified petition to the District Court of Ramsey county or the county in which the principal office of the health maintenance organization is located for an order directing the commissioner of health to rehabilitate or liquidate a health maintenance organization"

Page 34, line 34, after "commissioner" insert "of health"

Page 34, line 34, after "procedures" insert ", and with the powers granted to a rehabilitator or liquidator,"

Page 34, line 36, after "procedures" insert "or powers"

Page 35, line 1, after "subdivision" insert "or in chapter 60B"

Page 35, line 4, after "subdivisions" delete "2 to" and insert "4, 6, and"

Page 35, line 21, after "sections" insert "62D.02, subdivision 2,"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 1940, A bill for an act relating to health; specifying requirements for a health maintenance organization application for a certificate; establishing protections against conflicts of interest; establishing requirements for a guaranteeing organization; including certain investments as admitted assets; requiring an expedited resolution of disputes about coverage of immediately and urgently needed service; allowing replacement coverage by other health maintenance organizations; allowing appointment of a special examiner; amending Minnesota Statutes 1988, sections 62D.02, subdivision 15; 62D.03, subdivision 4; 62D.04, subdivision 1; 62D.041, subdivision 2; 62D.044; 62D.08, subdivisions 1, 2, and 6; 62D.11, subdivisions 1a, 4, and by adding a subdivision; 62D.121, by adding a subdivision; 62D.17, subdivisions 1 and 4; 62D.18, subdivision 1; 62D.211; Minnesota Statutes 1989 Supplement, sections 62D.121, subdivision 3; 72A.491, by adding a subdivision; Laws 1988, chapter 434, section 24; proposing coding for new law in Minnesota Statutes, chapter 62D; repealing Minnesota Statutes 1988, sections 62D.12, subdivisions 14 and 16; 62D.18, subdivisions 2 to 5; and 62D.20, subdivision 2.

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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Solberg	Swenson	Uphus	Weaver	Spk. Vanasek
Sparby	Tjornhom	Valento	Welle	
Stanius	Tompkins	Vellenga	Wenzel	
Steensma	Trimble	Wagenius	Williams	
Sviggum	Tunheim	Waltman	Winter	

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

S. F. No. 838, A bill for an act relating to motor vehicles; providing for special license plates for disabled persons; setting fee for duplicate personalized license plates; amending Minnesota Statutes 1988, sections 168.012, subdivision 3a; 168.021, as amended; 168.12, subdivision 2a; 168.125, subdivision 2; 168.27, subdivision 2; 168.29; 169.01, subdivision 24a; 169.215; and 169.346; Minnesota Statutes 1989 Supplement, sections 168.011, subdivision 4; 168.012, subdivision 1; and 169.345; repealing Minnesota Statutes 1988, section 168.12, subdivisions 3 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

Long moved that the remaining bills on Special Orders for today be continued. The motion prevailed.

**GENERAL ORDERS**

Long moved that the bills on General Orders for today be continued. The motion prevailed.

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

**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, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1855, A bill for an act relating to family law; modifying dissolution statistical report requirements; regulating child custody and visitation in dissolution and other proceedings; modifying standards for joint legal custody; providing for the award of temporary attorney fees; providing standards for visitation and custody rights when a parent has been convicted of certain crimes; providing funding for legal representation in family law matters; amending Minnesota Statutes 1988, sections 144.224; 257.025; 257.541, subdivision 2; 518.003, subdivision 3, and by adding a subdivision; 518.131, subdivisions 1 and 7; 518.14; 518.156; 518.167, subdivision 2; 518.175, by adding a subdivision; 518.551, subdivision 5; and 518.619; Minnesota Statutes 1989 Supplement, sections 518.17, subdivision 2; 518.175, subdivisions 1 and 5; and 518.64, subdivision 2; proposing coding for new law in chapter 518.

PATRICK E. FLAHAVEN, Secretary of the Senate

Kelly moved that the House refuse to concur in the Senate amendments to H. F. No. 1855, 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 that the Senate refuses to concur in the House amendments to the following Senate File:



S. F. No. 1807, A bill for an act relating to local government; permitting the issuance of obligations by the Hennepin county board for a public safety building; permitting Rosemount to incur debt for an armory; requiring a planning process and public hearing.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Mr. Freeman, Ms. Olson and Mr. Pogemiller.

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

Schreiber moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 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. 1807. The motion prevailed.

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1855:

Kelly, Vellenga, Macklin, Blatz and Janezich.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1807:

Schreiber, McLaughlin and Olsen, S.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1854:

Pugh, Kelly and Blatz.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1874:

Carruthers, Pugh and Blatz.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1983:

Omann, Boo and O'Connor.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1999:

Ogren, Winter and Omann.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2108:

Jacobs, O'Connor and Carlson, D.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2156:

Simoneau, Abrams and McLaughlin.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2173:

Munger, Pauly and Price.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2213:

Olson, K.; Carlson, D., and Jennings.

#### ADJOURNMENT

Long moved that when the House adjourns today it adjourn until 1:00 p.m., Tuesday, April 17, 1990. The motion prevailed.

Long moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 1:00 p.m., Tuesday, April 17, 1990.

EDWARD A. BURDICK, Chief Clerk, House of Representatives