

## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1991

## THIRTY-SECOND DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 11, 1991

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

Prayer was offered by the Reverend Donald L. Germain, Pastor of Bethel United Methodist Church, Mound, Minnesota.

The roll was called and the following members were present:

Abrams	Frerichs	Knickerbocker	Olson, E.	Skoglund
Anderson, I.	Garcia	Koppendrayner	Olson, K.	Smith
Anderson, R.	Girard	Krinkie	Omann	Solberg
Battaglia	Goodno	Krueger	Onnen	Sparby
Bauerly	Greenfield	Lasley	Orenstein	Stanisus
Beard	Gruenes	Leppik	Orfield	Steensma
Begich	Gutknecht	Lieder	Osthoff	Sviggum
Bertram	Hanson	Limmer	Ostrom	Swenson
Bettermann	Hartle	Long	Ozment	Thompson
Bishop	Hasskamp	Lourey	Pauly	Tompkins
Blatz	Haukoos	Lynch	Pellow	Trimble
Bodahl	Hausman	Macklin	Pelowski	Tunheim
Boo	Heir	Mariani	Peterson	Uphus
Brown	Hufnagle	Marsh	Pugh	Valento
Carlson	Hugoson	McEachern	Reding	Vellenga
Carruthers	Jacobs	McGuire	Rest	Wagenius
Clark	Janezich	McPherson	Rice	Waltman
Cooper	Jaros	Milbert	Rodosovich	Weaver
Dauner	Jefferson	Morrison	Rukavina	Wejeman
Davids	Jennings	Munger	Runbeck	Welker
Dawkins	Johnson, A.	Murphy	Sarna	Welle
Dempsey	Johnson, R.	Nelson, K.	Schafer	Wenzel
Dille	Johnson, V.	Nelson, S.	Scheid	Winter
Dorn	Kahn	Newinski	Schreiber	Spk. Vanasek
Erhardt	Kalis	O'Connor	Seaberg	
Farrell	Kelso	Ogren	Segal	
Frederick	Kinkel	Olsen, S.	Simoneau	

A quorum was present.

Anderson, R. H., and Henry were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Garcia 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

S. F. No. 252 and H. F. No. 407, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Ostrom moved that S. F. No. 252 be substituted for H. F. No. 407 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 254 and H. F. No. 735, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Greenfield moved that the rules be so far suspended that S. F. No. 254 be substituted for H. F. No. 735 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 713 and H. F. No. 488, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Segal moved that the rules be so far suspended that S. F. No. 713 be substituted for H. F. No. 488 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 729 and H. F. No. 935, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Pugh moved that the rules be so far suspended that S. F. No. 729 be substituted for H. F. No. 935 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 734 and H. F. No. 389, which had been referred to the

Chief Clerk for comparison, were examined and found to be identical.

Jefferson moved that S. F. No. 734 be substituted for H. F. No. 389 and that the House File be indefinitely postponed. The motion prevailed.

## PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

April 8, 1991

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

Dear Representative Vanasek:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 82, relating to public contracts; modifying the criteria for businesses and firms required to file affirmative action plans.

H. F. No. 373, relating to commerce; removing a real estate licensing prohibition.

Warmest regards,  
ARNE H. CARLSON  
Governor

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

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

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1991 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 1991</i>	<i>Date Filed 1991</i>
	82	19	11:11 a.m. April 8	April 8
	373	20	11:14 a.m. April 8	April 8
75		21	11:14 a.m. April 8	April 8
468		22	11:16 a.m. April 8	April 8

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## REPORTS OF STANDING COMMITTEES

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 214, A bill for an act relating to county and district agricultural societies; appropriating money.

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 384, A bill for an act relating to agriculture; appropriating money for farm and small business management programs at technical colleges.

Reported the same back with the following amendments:

Page 1, line 7, delete "\$....." and insert "\$600,000"

Page 1, line 16, delete "....." and insert "June 30, 1993"

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 408, A bill for an act relating to animal health; providing alternative methods for the disposal of certain animal carcasses; amending Minnesota Statutes 1990, section 35.82, subdivisions 1b and 2.

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

The report was adopted.

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

H. F. No. 528, A bill for an act relating to natural resources; increasing the number of permits that may be held by one purchaser of timber on state lands; setting an interest rate of six percent for certain extensions of the permits; amending Minnesota Statutes 1990, section 90.121.

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

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 577, A bill for an act relating to public safety; authorizing reimbursement of certain legal expenses incurred by certain law enforcement personnel; amending Minnesota Statutes 1990, section 299A.01, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 9, delete "The commissioner,"

Page 1, line 12, delete "consultation with" and insert "approval by" and after the comma insert "the commissioner"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 583, A bill for an act relating to public safety; expanding the juvenile code definition of "child in need of protection or services" to include children exposed to criminal gang-related activity in the home; increasing penalties for certain assaults committed against school officials; increasing penalties for dangerous weapon offenses committed in school or park zones; establishing a grant program to assist targeted young people in setting and realizing education and employment goals; appropriating money; amending Minnesota Statutes 1990, sections 260.015, subdivision 2a; 609.2231, by adding a subdivision; and 609.66, subdivisions 1 and 1a.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [EMPLOYMENT AND EDUCATION PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] A grant program is established to provide adolescents with opportunities for gaining a high school diploma, exploring occupations, evaluating vocational options, receiving career and life skills counseling, developing and pursuing personal goals, and participating in community-based projects. The program shall be for targeted young people as defined in Laws 1990, chapter 562, article 4, section 12, between the ages of 14 and 18 who, because of a lack of personal resources and skills, need assistance in setting and realizing education and employment goals and in becoming contributing members of their community.

Subd. 2. [ELIGIBILITY.] (a) An applicant for a grant must be a (1) school district, (2) education district, (3) group of districts cooperating for a particular purpose, or (4) eligible program under contract with a school district to provide educational services in the high school graduation incentives program under Minnesota Statutes, section 126.22. To meet the requirement in paragraph (b), clause (1), an applicant may apply jointly with a provider of an employment

and training program administered through the department of jobs and training.

(b) To be eligible for a grant an applicant must meet all of the following criteria:

(1) have operated or must be applying jointly with an entity which has operated a youth employment program serving targeted young people, administered through the department of jobs and training, for at least two years before applying for the grant;

(2) have operated a specialized or nontraditional education program designed to meet the needs of targeted young people, for at least two years before applying for the grant;

(3) develop a plan to identify and assess the knowledge, skills, and aptitudes of targeted young people under subdivision 1; and

(4) must use the results of the assessment to provide appropriate education and employment opportunities to targeted young people that promote a sense of self-sufficiency, self-esteem, and community.

Subd. 3. [APPLICATION PROCESS.] To obtain a grant to provide targeted young people with appropriate education and employment opportunities, an applicant must submit an application to the commissioner of jobs and training in the form and manner prescribed by the commissioner after consultation with the commissioner of education. The application must describe how the applicant will assist targeted young people to set useful education and employment goals, secure meaningful employment, and lead productive lives within their community. The applicant must also indicate what resources will be available to continue the program if it is found to be effective. The commissioner may require additional information from an applicant.

Subd. 4. [REVIEWING APPLICATIONS.] When reviewing applications, the commissioner shall determine whether all the requirements in subdivisions 2 and 3 are met. The commissioner, in consultation with the commissioner of education, shall, at a minimum, consider the following when reviewing applications:

(1) the education and employment activities proposed for the program;

(2) the demonstrated effectiveness of the applicant or joint applicants as a provider of similar services to targeted young people;

(3) the attraction and use of other resources including federal and state education funding, federal and state employment training

funding, local and private funding, and targeted jobs tax credits in funding the proposed programs;

(4) the availability of both the education and employment components of the program on a year-round basis; and

(5) diversity in the geographic location and delivery mechanism of the proposed programs.

Subd. 5. [GRANT AWARDS.] The commissioner may award up to ... grants. Grant recipients must be located throughout the state. The amount of the grant shall be based on the number of targeted young people expected to participate in the program.

Subd. 6. [PRELIMINARY REPORT.] The commissioner shall provide a preliminary report on the employment and education program to the education and judiciary committees of the legislature no later than February 1, 1992. The report shall address the grant applications received and awarded and any preliminary information on the implementation and results of the grant programs.

## Sec. 2. [APPROPRIATION.]

\$..... is appropriated from the general fund to the commissioner of administration for the purposes of section 1, to be available until June 30, 1992. \$..... is transferred from the commissioner of administration to the commissioner of jobs and training for grants under section 1."

Delete the title and insert:

"A bill for an act relating to targeted young people; establishing a grant program to assist targeted young people in setting and realizing employment and education goals; appropriating money."

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

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 593, A bill for an act relating to crimes; driving while intoxicated; authorizing counties to create pilot programs to provide intensive probation for repeat violators of the driving while intoxicated laws; increasing the chemical dependency assessment charge for repeat violators of the driving while intoxicated laws; appropri-



ating money; amending Minnesota Statutes 1990, section 169.121, subdivision 5a.

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

*The report was adopted.*

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 594, A bill for an act relating to foreign money claims; enacting the uniform foreign-money claims act; proposing coding for new law in Minnesota Statutes, chapter 548.

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

*The report was adopted.*

Sarna from the Committee on Commerce to which was referred:

H. F. No. 663, A bill for an act relating to occupations and professions; regulating athletic trainers; creating an advisory committee; providing for registration; establishing fees; requiring rule-making; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 148.

Reported the same back with the following amendments:

Page 2, line 22, delete “, except for initial appointees,”

Page 2, line 25, delete “Except for the initial appointees,”

Page 3, line 6, after the third comma insert “evaluation,”

Page 3, line 7, delete “athlete” and insert “individual during participation in athletic activities or sports”

Page 3, line 10, after “as” insert “cold,”

Page 3, line 11, after the period insert “An athletic trainer employed in a health care institution may use the modalities listed above under the supervision of a registered physical therapist.”

Page 4, line 22, delete “proof is” and insert “the person pays the registration fee required by sections 1 to 14 and:”

(1) submits proof of five years of primary employment as an athletic trainer by an educational or health care institution or a bona fide amateur or professional athletic organization within the preceding seven-year period and holds a baccalaureate degree from an accredited college or university; or

(2) is presently certified by the National Athletic Trainers Association."

Page 4, delete lines 23 to 26

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

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 676, A bill for an act relating to transportation; requiring a study and report by the commissioner of transportation on the effect of allowing the use of 110-foot, triple-trailer vehicle combinations; appropriating money.

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

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 695, A bill for an act relating to battered women's programs; clarifying and expanding the role of the battered women's advisory council; updating and correcting certain statutory provisions; amending Minnesota Statutes 1990, sections 611A.31, subdivision 2; 611A.32, subdivisions 1 and 2; 611A.33; 611A.34; 611A.35; and 611A.36, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 611A; repealing Minnesota Statutes 1990, section 611A.32, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 518B.01, is amended by adding a subdivision to read:

Subd. 3a. [FILING FEE.] The filing fees for an order for protection under this section are waived for the petitioner. The court shall also direct payment of the reasonable costs of service of process in the manner provided in section 563.01, whether served by a sheriff, private process server, or by publication. The court may direct a respondent to pay to the court administrator the petitioner's filing fees and reasonable costs of service of process if the court determines that the respondent has the ability to pay the petitioner's fees and costs.

Sec. 2. Minnesota Statutes 1990, section 518B.01, subdivision 14, is amended to read:

Subd. 14. [VIOLATION OF AN ORDER FOR PROTECTION.] (a) Whenever an order for protection is granted pursuant to this section, and the respondent or person to be restrained knows of the order, violation of the order for protection is a misdemeanor. A person who violates this paragraph after a previous conviction under this paragraph is guilty of a gross misdemeanor.

(b) A peace officer shall arrest without a warrant and take into custody a person whom the peace officer has probable cause to believe has violated an order granted pursuant to this section restraining the person or excluding the person from the residence or the petitioner's place of employment, even if the violation of the order did not take place in the presence of the peace officer, if the existence of the order can be verified by the officer. A peace officer acting in good faith and exercising due care in making an arrest pursuant to this paragraph is immune from civil liability that might result from the officer's actions.

(c) A violation of an order for protection shall also constitute contempt of court and be subject to the penalties therefor.

(d) If the court finds that the respondent has violated an order for protection and that there is reason to believe that the respondent will commit a further violation of the provisions of the order restraining the respondent from committing acts of domestic abuse or excluding the respondent from the petitioner's residence, the court may require the respondent to acknowledge an obligation to comply with the order on the record. The court may require a bond sufficient to deter the respondent from committing further violations of the order for protection, considering the financial resources of the respondent, and not to exceed \$10,000. If the respondent refuses to comply with an order to acknowledge the obligation or post a bond under this paragraph, the court shall commit the respondent to the county jail during the term of the order for protection or until the respondent complies with the order under this paragraph. The warrant must state the cause of commitment, with the sum and time for which any bond is required. If an order is issued under this paragraph, the court may order the costs of the

contempt action, or any part of them, to be paid by the respondent. An order under this paragraph is appealable.

(e) Upon the filing of an affidavit by the petitioner or, any peace officer, or an interested party designated by the court, alleging that the respondent has violated any order for protection granted pursuant to this section, the court may issue an order to the respondent, requiring the respondent to appear and show cause within 14 days why the respondent should not be found in contempt of court and punished therefor. The hearing may be held by the court in any county in which the petitioner or respondent temporarily or permanently resides at the time of the alleged violation. The court also may refer the violation of the order for protection to the appropriate prosecuting authority for possible prosecution under paragraph (a).

(f) If the court finds that the respondent has violated an order for protection issued under subdivision 6 and that the order has expired between the time of the violation and the court's hearing on the violation, the court may grant a new order for protection under subdivision 6 based solely on the respondent's violation of the prior order.

(g) The admittance into petitioner's dwelling of an abusing party excluded from the dwelling under an order for protection is not a violation by the petitioner of the order for protection.

A peace officer is not liable under section 609.43, clause (1), for a failure to perform a duty required by clause (b).

Sec. 3. Minnesota Statutes 1990, section 609.135, subdivision 2, is amended to read:

Subd. 2. (1) If the conviction is for a felony the stay shall be for not more than three years or the maximum period for which the sentence of imprisonment might have been imposed, whichever is longer.

(2) If the conviction is for a gross misdemeanor the stay shall be for not more than two years.

(3) If the conviction is for a any misdemeanor under section 169.121 or for a misdemeanor under section 609.224, subdivision 1, in which the victim of the crime was a family or household member as defined in section 518B.01, the stay shall be for not more than two years. The court shall provide for unsupervised probation for the second year of the stay unless the court finds that the defendant needs supervised probation for all or part of the second year.

(4) If the conviction is for a misdemeanor not specified in clause (3), the stay shall be for not more than one year.

(5) The defendant shall be discharged when the stay expires, unless the stay has been revoked or the defendant has already been discharged.

Sec. 4. [611A.25] [SEXUAL ASSAULT ADVISORY COUNCIL.]

Subdivision 1. [CREATION.] Within 60 days after the effective date of this section, the commissioner of corrections shall appoint a 12-member advisory council on sexual assault to advise the commissioner on the implementation and continued operation of sections 611A.21 to 611A.25. The sexual assault advisory council shall also serve as a liaison between the commissioner and organizations that provide services to victims of sexual assault, and as an advocate within the department of corrections for the rights of sexual assault victims.

Subd. 2. [MEMBERSHIP] Six of the sexual assault advisory council members shall either be representatives of or persons who have received services from organizations that provide services to sexual assault victims, and six of the members shall be public members. One-half of the council's members shall reside in the metropolitan area and one-half of the members shall reside in the nonmetropolitan area.

Subd. 3. [TERMS; VACANCIES; EXPENSES.] Section 15.059 governs the filling of vacancies and removal of members of the sexual assault advisory council. The terms of the members of the advisory council shall be two years. No member may serve on the advisory council for more than two consecutive terms. Council members shall not receive per diem, but shall receive expenses in the same manner and amount as state employees.

Subd. 4. [REPORT TO LEGISLATURE.] On or before August 1, 1992, the sexual assault advisory council, in consultation with the commissioner and the Minnesota coalition of sexual assault services, shall file a written report with the legislature, containing recommendations on the following matters:

(1) the scope of the commissioner's authority regarding the administration of grants for sexual assault services;

(2) the membership and duties of the sexual assault advisory council;

(3) criteria for funding programs for services for sexual assault victims;

(4) the appointment of a sexual assault program director; and

(5) other matters agreed to by the commissioner, the sexual

assault advisory council and the Minnesota coalition of sexual assault services.

Sec. 5. Minnesota Statutes 1990, section 611A.31, subdivision 2, is amended to read:

Subd. 2. "Battered woman" means a woman who is being or has been assaulted by her spouse, other male relative, or by a male with whom she is residing or has resided in the past victimized by domestic abuse as defined in section 518B.01, subdivision 2, except that "family or household members" includes persons with whom the woman has had a continuing relationship.

Sec. 6. Minnesota Statutes 1990, section 611A.32, subdivision 1, is amended to read:

Subdivision 1. [PROGRAMS DESIGNATED GRANTS AWARDED.] The commissioner shall designate four or more pilot award grants to programs to which provide emergency shelter services and support services to battered women and shall award grants to the pilot programs. At least two pilot programs shall be designated in the metropolitan area, composed of Hennepin, Ramsey, Anoka, Dakota, Scott, Washington and Carver counties. At least one pilot program shall be designated in a city located outside of the metropolitan area, and at least one pilot program shall be designated in a location accessible to a predominately rural population their children. The commissioner shall also award grants for training, technical assistance, and for the development and implementation of education programs to increase public awareness of the causes of battering, the solutions to preventing and ending domestic violence, and the problems faced by battered women. Grants shall be awarded in a manner that ensures that they are equitably distributed to programs serving metropolitan and nonmetropolitan populations.

Sec. 7. Minnesota Statutes 1990, section 611A.32, subdivision 2, is amended to read:

Subd. 2. [APPLICATIONS.] Any public or private nonprofit agency may apply to the commissioner for designation as a pilot program a grant to provide emergency shelter services and, support services, or both, to battered women and their children. The application shall be submitted in a form approved by the commissioner by rule adopted under chapter 14, after consultation with the advisory council, and shall include:

(a) (1) a proposal for the provision of emergency shelter services and, support services, or both, for battered women and their children;

~~(b)~~ (2) a proposed budget;

~~(c)~~ (3) evidence of ~~the integration of~~ an ability to integrate into the proposed program the uniform method of data collection and program evaluation established by the director pursuant to section under sections 611A.33 into the proposed program and 611A.34;

~~(d)~~ (4) evidence of ~~the participation of the~~ an ability to represent the interests of battered women and their children to local law enforcement agencies and courts, county welfare agencies, and local boards or departments of health; and other interested agencies or groups in the development of the application; and

~~(e)~~ (5) evidence of an ability to do outreach to unserved and underserved populations and to provide culturally and linguistically appropriate services; and

(6) any other content the commissioner may; require by rule adopted under chapter 14, require after considering the recommendations of the advisory council.

Programs which have been approved for grants in prior years may submit materials which indicate changes in items listed in clauses (1) to (6), in order to qualify for renewal funding. Nothing in this subdivision may be construed to require programs to submit complete applications for each year of renewal funding.

Sec. 8. Minnesota Statutes 1990, section 611A.33, is amended to read:

#### 611A.33 [DUTIES OF COMMISSIONER.]

The commissioner shall:

~~(a)~~ (1) Review applications for ~~designation as~~ and award grants to a pilot program; and ~~designate four or more pilot programs pursuant to section 611A.32, subdivision 1, after considering the recommendation of the advisory council;~~

~~(b) Review applications from and award grants to public or private nonprofit agencies which submit proposals to develop and implement education programs pursuant to section 611A.32, subdivision 4;~~

~~(c)~~ (2) Appoint the members of the advisory ~~task force~~ council created under section 611A.34, after considering the recommendations of the advisory council, and provide consultative and legal staff and other administrative services to the advisory ~~task force~~ council;

(d) (3) After considering the recommendation of the advisory council, appoint a project coordinator program director to perform the duties set forth in section 611A.35;

(e) (4) Design and implement a uniform method of collecting and evaluating data on battered women and of evaluating to be used to evaluate the programs funded under section 611A.32;

(f) (5) Provide technical aid to applicants in the design and implementation of the programs funded under section 611A.32 development of grant requests and provide technical aid to programs in meeting the data collection requirements established by the commissioner; and

(g) Promulgate (6) Adopt, under chapter 14, all rules necessary to implement the provisions of sections 611A.31 to 611A.36 and 256D.05, subdivision 3, including emergency rules; and

(h) Report to the legislature on January 1, 1978, January 1, 1979, and November 15, 1979, on the programs funded under section 611A.32 and report to the legislature by January 1, 1979 on the feasibility of creating similar programs for men.

Sec. 9. Minnesota Statutes 1990, section 611A.34, is amended to read:

#### 611A.34 [ADVISORY COUNCIL.]

Subdivision 1. [CREATION GENERALLY.] Within 60 days after June 3, 1977, The commissioner shall appoint a nine 12 member advisory council to advise the commissioner on the implementation and continued operation of sections 611A.31 to 611A.36. The provisions of battered women's advisory council shall also serve as a liaison between the commissioner and organizations that provide services to battered women. Section 15.059 shall govern governs the terms, filling of vacancies and removal of members, and expiration of the advisory council. The terms of the members of the advisory council shall be two years. No member may serve on the advisory council for more than two consecutive terms. Notwithstanding section 15.059, the council shall not expire. Council members shall not receive per diem, but shall receive expenses in the same manner and amount as state employees.

Subd. 2. [MEMBERSHIP.] Persons appointed shall be knowledgeable in the fields of health, law enforcement, social services or the law. Five members of the advisory council shall be representatives of community or governmental organizations which provide services to battered women; and four members of the advisory council shall be public members. about and have experience or interest in issues concerning battered women, including the need for effective advo-



cacy services. The membership of the council shall broadly represent the interests of battered women in Minnesota. Six of the council members shall either be representatives of or persons who have received services from community or governmental organizations that provide services to battered women, and six of the members shall be public members. One-half of the council's members shall reside in the metropolitan area and one-half of the members shall reside in the nonmetropolitan area. The commissioner shall also make special efforts to ensure that the membership of the council is representative of women of all racial minority groups, women who have been formerly battered, and women of different sexual orientations.

Subd. 3. [DUTIES.] The advisory council shall:

(a) (1) advise the commissioner on all planning, development, data collection, rulemaking, funding, and evaluation of programs and services for battered women that are funded under section 611A.32, other than matters of a purely administrative nature;

(2) advise the commissioner on the adoption of rules under chapter 14 governing the award of grants to ensure that funded programs further the objectives described in section 611A.32, subdivision 1;

(3) recommend to the commissioner the names of five applicants for the position of ~~project coordinator~~ battered women's program director;

(b) (4) advise the commissioner on the rules ~~promulgated~~ adopted under chapter 14 pursuant to section 611A.33;

(e) (5) review ~~and comment on~~ applications received by the commissioner for ~~designation as a pilot program and applications for education~~ grants under section 611A.32 and make recommendations on the awarding of grants; provided, that the council may not recommend that a grant application be denied because the applicant program does not offer family planning and abortion referral services to its clients unless it receives a request for those referral services; and

(d) (6) advise the ~~project coordinator~~ program director in the performance of duties in the administration and coordination of the programs funded under section 611A.32.

Subd. 4. [CONFLICTS OF INTEREST.] A member of the advisory council shall be excluded from participating in review and recommendations concerning a grant application if the member:

(1) serves or has served at any time during the past three years as

an employee, volunteer, or governing board member of an organization whose application is being reviewed; or

(2) has a financial interest in the funding of an applicant organization.

Sec. 10. [611A.345] [ADVISORY COUNCIL RECOMMENDATIONS.]

Subdivision 1. [PROPOSED ACTION.] The commissioner shall consider the advisory council's recommendations before awarding grants or adopting policies regarding the planning, development, data collection, rulemaking, funding or evaluation of programs and services for battered women funded under section 611A.32. Before taking action on matters related to programs and services for battered women and their children, except day-to-day administrative operations, the commissioner shall notify the advisory council of the intended action. Notification of grant award decisions shall be given to the advisory council in time to allow the council to request reconsideration under subdivision 2 without causing a delay in the issuance of grant money. If the commissioner decides to take action contrary to or inconsistent with the recommendations of the advisory council, the commissioner shall provide the advisory council with written objections to the advisory council's recommendation, the basis for the objections, and the information, records, or data supporting the decision.

Subd. 2. [RECONSIDERATION.] Within ten days after receiving the commissioner's written objections, the advisory council may ask the commissioner to reconsider the decision to take action contrary to or inconsistent with the advisory council's recommendations. The advisory council may respond in writing to the commissioner's objections and may offer alternative recommendations. The advisory council may also ask the commissioner to meet with the advisory council and discuss its recommendations and the commissioner's decision. Prior to requesting a reconsideration, the advisory council shall have access to all records or other information not previously made available to the advisory council upon which the commissioner relied in reaching a decision. A request for reconsideration stays implementation of the commissioner's proposed action.

Within five days after receiving the request for reconsideration, the commissioner shall deliver to the advisory council a written decision amending or affirming the proposed decision. Failure of the commissioner to take action on a recommendation of the advisory council is also grounds for requesting reconsideration. A request for reconsideration shall not be a basis for the commissioner to fail to propose action on other recommendations of the advisory council.

Sec. 11. [611A.346] [GRANTEE REQUEST FOR RECONSIDERATION OF GRANT DENIAL.]

Within five days of receiving notification of the commissioner's decision, any applicant whose grant application was denied by the commissioner or not recommended by the advisory council, in whole or in part, may ask the commissioner to reconsider the decision. The commissioner and advisory council shall respond to the applicant within ten days of the request. If the commissioner and advisory council affirm the prior decision, the commissioner shall provide the applicant with a written explanation of the reasons why the applicant's grant was denied or not recommended for funding.

Sec. 12. Minnesota Statutes 1990, section 611A.35, is amended to read:

611A.35 [PROJECT COORDINATOR BATTERED WOMEN'S PROGRAM DIRECTOR.]

The commissioner shall appoint a ~~project coordinator program~~ director. In appointing the ~~project coordinator program~~ director the commissioner shall give due consideration to the list of applicants submitted to the commissioner ~~by the advisory task force~~ pursuant to section 611A.34, subdivision 3, clause (a) (3). The ~~project coordinator program~~ director shall administer the funds appropriated for sections 611A.31 to 611A.36 and 256D.05, ~~subdivision 3, coordinate the programs funded under section 611A.32,~~ consult with and provide staff to the advisory council, and perform other duties related to battered women's programs as the commissioner may assign. The ~~project coordinator program~~ director shall serve at the pleasure of the commissioner in the unclassified service.

Sec. 13. Minnesota Statutes 1990, section 611A.36, subdivision 1, is amended to read:

Subdivision 1. [FORM PRESCRIBED.] The commissioner shall, by rule adopted under chapter 14, after considering the recommendations of the advisory council, prescribe a uniform form and method for the collection of data on battered women. The method and form of data collection shall be designed to document the incidence of assault on battered women by their spouses, male relatives or other males with whom they are residing or have resided in the past as defined in section 611A.31, subdivision 2. All data collected by the commissioner pursuant to this section shall be summary data within the meaning of section 13.02, subdivision 19.

Sec. 14. [TRANSITION.]

(a) Notwithstanding Minnesota Statutes, section 611A.34, until the first Monday in January 1992, the battered women's advisory council consists of the members serving as delegates or alternates on the council on January 1, 1991.

(b) Notwithstanding any law to the contrary, the terms of all members serving on the council before the first Monday in January 1992, expire on the first Monday in January 1992. Of the members appointed to terms beginning in January 1992, six shall be appointed to one-year terms and six shall be appointed to two-year terms.

(c) The limit on consecutive terms in Minnesota Statutes, section 611A.34, applies to members serving on the council on and after the effective date of section 611A.34, but does not operate to remove a person from the council before the expiration of the person's term.

Sec. 15. [REPEALER.]

Minnesota Statutes 1990, section 611A.32, subdivision 4, is repealed.

Sec. 16. [APPROPRIATION.]

\$..... is appropriated from the general fund to the commissioner of corrections to provide advocacy services for battered women to be available for the biennium ending June 30, 1993.

Sec. 17. [EFFECTIVE DATE.]

Sections 2 and 3 are effective August 1, 1991, and apply to crimes committed on and after that date."

Delete the title and insert:

"A bill for an act relating to domestic violence; battered women; providing that no filing fee shall be charged for issuing a domestic abuse order for protection except under certain circumstances; increasing the penalty for violating an order for protection; authorizing warrantless arrests for violations at a place of employment; permitting the issuance of a new order based on violation of a prior order; increasing the probationary period for misdemeanor domestic assaults; clarifying and expanding the role of the battered women's advisory council; establishing a sexual assault advisory council; updating and correcting certain statutory provisions; appropriating money; amending Minnesota Statutes 1990, sections 518B.01, subdivision 14, and by adding a subdivision; 609.135, subdivision 2; 611A.31, subdivision 2; 611A.32, subdivisions 1 and 2; 611A.33; 611A.34; 611A.35; and 611A.36, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 611A; repealing Minnesota Statutes 1990, section 611A.32, subdivision 4."

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 702, A bill for an act relating to agriculture; providing for an agricultural development bond program; proposing coding for new law as Minnesota Statutes, chapter 41C.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### “ARTICLE 1 RURAL FINANCE AUTHORITY

Section 1. Minnesota Statutes 1990, section 41B.025, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] There is created a public body corporate and politic within the department of agriculture to be known as the “Minnesota rural finance authority,” which shall perform the governmental functions and exercise the sovereign powers delegated to it in sections 41B.01 to 41B.23 and 41C.01 to 41C.XX in furtherance of the public policies and purposes declared in section 41B.01. The board of the authority consists of the commissioners of agriculture, commerce, and finance, the state auditor, and ~~three~~ seven public members appointed by the governor with the advice and consent of the senate. No public member may reside within the metropolitan area, as defined in section 473.121, subdivision 2. Each member shall hold office until a successor has been appointed and has qualified. A certificate of appointment or reappointment of any member is conclusive evidence of the proper appointment of the member.

Sec. 2. Minnesota Statutes 1990, section 41B.025, subdivision 3, is amended to read:

Subd. 3. [CHAIR.] The commissioner of ~~finance~~ agriculture is the chair of the board. The commissioner of ~~agriculture~~ finance is the vice-chair of the board.

Sec. 3. Minnesota Statutes 1990, section 41B.025, subdivision 5, is amended to read:

Subd. 5. [MEETINGS; ACTIONS OF THE AUTHORITY.] Meetings may be called by the chair as needed. Upon the request of five members, the chair shall call a meeting at the earliest reasonable time. A majority of the members of the authority, excluding vacancies, constitutes a quorum for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by the authority upon a vote of a majority of a quorum present.

Sec. 4. Minnesota Statutes 1990, section 41B.025, subdivision 6, is amended to read:

Subd. 6. [ADMINISTRATIVE CONTROL.] The authority is under the administrative control of the commissioner of ~~finance~~ agriculture.

Sec. 5. Minnesota Statutes 1990, section 41B.211, is amended to read:

#### 41B.211 [DATA PRIVACY.]

Financial information, including credit reports, financial statements, and net worth calculations, received or prepared by the authority regarding any authority loan and the name of each individual who is the recipient of a loan are private data on individuals, under chapter 13, except that information obtained under the agricultural development bond program in sections 6 to 17 may be released as required by federal tax law.

#### Sec. 6. [41C.01] [SHORT TITLE.]

This chapter shall be called and may be cited as the "Minnesota agricultural development act."

#### Sec. 7. [41C.02] [DEFINITIONS.]

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

#### Subd. 2. [AGRICULTURAL BUSINESS ENTERPRISE.]

"Agricultural business enterprise" means an individual or partnership with a low or moderate net worth who owns or plans to own properties, real or personal, used or useful in connection with the general processing of agricultural products or in the manufacturing, assembly, or fabrication of agricultural or agricultural-related equipment."

Subd. 3. [AGRICULTURAL IMPROVEMENTS.] "Agricultural improvements" means improvements, buildings, structures, or fix-

tures suitable for use in farming located on agricultural land, including a single-family dwelling located on agricultural land which is or will be occupied by a beginning farmer and structures attached to or incidental to the use of the dwelling.

Subd. 4. [AGRICULTURAL LAND.] "Agricultural land" means land suitable for use in farming.

Subd. 5. [AUTHORITY.] "Authority" means the Minnesota rural finance authority established in section 41B.025.

Subd. 6. [BEGINNING FARMER.] "Beginning farmer" means an individual or partnership with a low or moderate net worth who engages in farming or plans to engage in farming.

Subd. 7. [BONDS.] "Bonds" means bonds, notes, or other evidence of indebtedness issued by the authority under this chapter.

Subd. 8. [CONSERVATION FARM EQUIPMENT.] "Conservation farm equipment" means the specialized planters, cultivators, and tillage equipment used for reduced tillage or no-till planting of row crops.

Subd. 9. [DEPRECIABLE AGRICULTURAL PROPERTY.] "Depreciable agricultural property" means personal property suitable for use in farming for which an income tax deduction for depreciation is allowable in computing federal income tax under the Internal Revenue Code of 1986, as amended.

Subd. 10. [FARMING.] "Farming" means the cultivation of land for the production of agricultural crops, the raising of poultry, the production of eggs, the production of milk, the production of fruit or other horticultural crops, grazing, the production of livestock, aquaculture, hydroponics, the production of forest products, or other activities designated by the authority by rules.

Subd. 11. [LENDING INSTITUTION.] "Lending institution" includes "eligible lender" as defined in section 41B.02 and individuals.

Subd. 12. [LOW OR MODERATE NET WORTH.] "Low or moderate net worth" means:

(1) for an individual, an aggregate net worth of the individual and the individual's spouse and minor children of less than \$200,000; or

(2) for a partnership, an aggregate net worth of all partners, including each partner's net capital in the partnership, and each partner's spouse and minor children of less than \$400,000. However, the aggregate net worth of each partner and that partner's spouse and minor children may not exceed \$200,000.

## Sec. 8. [41C.03] [GUIDING PRINCIPLES.]

(a) In the performance of its duties, implementation of its powers, and selection of specific programs and projects to receive its assistance under this chapter, the authority must be guided by the principles in paragraphs (b) to (e).

(b) The authority shall not become an owner of real or depreciable property, except on a temporary basis if it is necessary in order to implement its programs, to protect its investments by means of foreclosure or other means, or to facilitate transfer of real or depreciable property for the use of beginning farmers.

(c) The authority shall exercise diligence and care in selection of projects to receive its assistance and shall apply customary and acceptable business and lending standards in selection and subsequent implementation of the projects. The authority may delegate primary responsibility for determination and implementation of the projects to any federal governmental agency that assumes any obligation to repay the loan, either directly or by insurance or guarantee.

(d) The authority shall establish a beginning farmer and agricultural business enterprise loan program to aid in the acquisition of agricultural land and improvements and depreciable agricultural property by beginning farmers and real and personal property for an agricultural business enterprise.

(e) The authority shall develop programs for providing financial assistance to agricultural producers in this state.

## Sec. 9. [41C.04] [COMBINATION PROGRAMS.]

Programs authorized in this chapter may be combined with any other programs authorized in this chapter or under another state or federal program in order to facilitate as far as practicable the acquisition of agricultural land and property by beginning farmers, to facilitate the implementation of permanent soil and water conservation practices and the acquisition of conservation farm equipment, and to encourage the development of agricultural business enterprises.

## Sec. 10. [41C.05] [AGRICULTURAL DEVELOPMENT BOND BEGINNING FARMER AND AGRICULTURAL BUSINESS ENTERPRISE LOAN PROGRAM.]

Subdivision 1. [DEVELOPMENT OF PROGRAM.] The authority shall develop an agricultural development bond beginning farmer and agricultural business enterprise loan program to facilitate the acquisition of agricultural land and improvements and depreciable



agricultural property by beginning farmers and real and personal property by an agricultural business enterprise. The authority shall exercise the powers granted to it in this chapter in order to fulfill the goal of providing financial assistance to beginning farmers and agricultural business enterprises in the acquisition of agricultural land, agricultural improvements, depreciable agricultural property, and real and personal property for an agricultural business enterprise. The authority may participate in and cooperate with programs of the farmers home administration, federal land bank, or any other agency or instrumentality of the federal government or with any program of any other state agency in the administration of the agricultural development bond beginning farmer and agricultural business enterprise loan program and in the making or purchasing of mortgage or secured loans under this chapter.

Subd. 2. [ELIGIBILITY; BEGINNING FARMERS.] The authority shall provide in the agricultural development bond beginning farmer and agricultural business enterprise loan program that a mortgage or a contract on behalf of a beginning farmer may be provided if the borrower qualifies under section 41B.03 and authority rules.

Subd. 3. [ELIGIBILITY; AGRICULTURAL BUSINESS ENTERPRISES.] (a) The authority shall provide in the agricultural development bond beginning farmer and agricultural business enterprise loan program that a mortgage or contract on behalf of an agricultural business enterprise may be provided if the borrower qualifies under this chapter and rules of the authority.

(b) An agricultural business enterprise is eligible for a program loan in an aggregate amount not exceeding \$250,000.

(c) An agricultural business enterprise is eligible for program loans only for new or expanded operations located in a community with a population of 5,000 or less.

Subd. 4. [LOANS AND CONTRACTS FOR BEGINNING FARMERS AND AGRICULTURAL BUSINESS ENTERPRISES.] (a) From the bond proceeds available to the authority for this program, the authority may:

(1) make mortgage loans to qualified beginning farmers for the acquisition of agricultural land, agricultural improvements, depreciable agricultural property, and real and personal property for an agricultural business enterprise. Each mortgage loan made by the authority under this program and all collateral securing the loan shall be assigned to the individual investor or agricultural lender originating the loan as the sole security for the authorities bond.

(2) enter into contracts to purchase agricultural land, agricultural improvements, depreciable agricultural property, and real and

personal property for an agricultural business enterprise from individuals or agricultural lenders on behalf of a beginning farmer or agricultural business enterprise. Each contract entered into by the authority under this program and all obligations of the authority under the contract shall be assigned to the beginning farmer or agricultural business enterprise as the sole security for the authority's bond.

(b) Mortgages and contracts entered into by the authority shall contain such terms and conditions of repayment as may be agreed to between the beginning farmer or agricultural business enterprise and the individual or agricultural lender involved, and such terms and conditions as the authority may deem necessary.

(c) Each individual or agricultural lender purchasing a bond from the authority under this program is responsible for making their own independent credit evaluation of the beginning farmer or the agricultural business enterprise involved, and for the creation and perfection of any security interest which they deem necessary for the loan or contract to be made on behalf of the beginning farmer or the agricultural business enterprise.

(d) The authority shall bear no continuing responsibility for repayment of any bond issued under the program other than the assignment of its interests under the mortgage made with the proceeds of the bond or the contract made pursuant to the bond.

Subd. 5. [OTHER TERMS.] The authority may provide that mortgages and contracts made under this program may not be assumed or any interest in the agricultural land or improvements or depreciable agricultural property or real or personal property of an agricultural business enterprise may not be leased, sold, or otherwise conveyed without its prior written consent and may provide a due-on-sale clause with respect to the occurrence of any of the foregoing events without its prior written consent. The authority may provide by rule the grounds for permitted assumptions of mortgages and contracts or for the leasing, sale, or other conveyance of any interest in the agricultural land or improvements or real or personal property of an agricultural business enterprise. However, the authority shall provide and state in its mortgages and contracts that the interest rate of the loan or contracts shall increase to the then prevailing market rate if the mortgage or contract is assumed by anyone other than a qualified beginning farmer or agricultural business enterprise. This subdivision controls with respect to a mortgage loan or contract made under this program, notwithstanding other law.

#### Sec. 11. [41C.06] [LOAN ALLOCATION.]

Not more than 25 percent of the total bond allocation available for beginning farmer and agricultural business enterprise loans may be

used for agricultural business enterprise loans. However, any portion of the bond allocation that remains unencumbered on November 1 of each year may be made available for agricultural business enterprise loans.

Sec. 12. [41C.07] [BONDS.]

Subdivision 1. [AUTHORITY.] The authority may issue its negotiable bonds in principal amounts which, in the opinion of the authority, are necessary to provide sufficient funds for achievement of its corporate purposes, the payment of interest on its bonds, the establishment of reserves to secure its bonds, and all other expenditures of the authority incident to and necessary or convenient to carry out its purposes and powers. The bonds are investment securities and negotiable instruments within the meaning of and for all purposes of the Uniform Commercial Code.

Subd. 2. [PAYMENT OF BONDS.] Bonds are payable solely and only out of the money, assets, or revenues of the authority and as provided in the agreement with bondholders pledging any particular money, assets, or revenues. Bonds are not an obligation of this state or any political subdivision of this state other than the authority within the meaning of any constitutional or statutory debt limitations, but are special obligations of the authority payable solely and only from the sources provided in this chapter, and the authority shall not pledge the credit or taxing power of this state or any political subdivision of this state other than the authority or make its debts payable out of any money except that of the authority.

Subd. 3. [RESOLUTION OF AUTHORITY.] Bonds must be authorized by a resolution of the authority. However, a resolution authorizing the issuance of bonds may delegate to an officer of the authority the power to negotiate and fix the details of an issue of bonds by an appropriate certificate of the authorized officer.

Subd. 4. [REQUIREMENTS.] Bonds must:

(1) state the date and series of the issue, be consecutively numbered and state on their face that they are payable both as to principal and interest solely out of the assets of the authority and do not constitute an indebtedness of this state or any political subdivision of this state other than the authority within the meaning of any constitutional or statutory debt limit; and

(2) be either registered, registered as to principal only, issued in denominations as the authority prescribes, fully negotiable instruments under the laws of this state, signed on behalf of the authority with the manual or facsimile signature of the chair or vice-chair, attested by the manual or facsimile signature of the secretary, have impressed or imprinted on them the seal of the authority or a

facsimile of it, be payable as to interest at rates and at times as the authority determines, be payable as to principal at times over a period not to exceed 50 years from the date of issuance, at places and with reserved rights of prior redemption as the authority prescribes, be sold at prices, at public or private sale, and in a manner as the authority prescribes, and the authority may pay all expenses, premiums, and commissions that it considers necessary or advantageous in connection with the issuance and sale, and be issued under and subject to the terms, conditions, and covenants providing for the payment of the principal, redemption premiums, if any, interest and other terms, conditions, covenants, and protective provisions safeguarding payment, not inconsistent with this chapter, as are found to be necessary by the authority for the most advantageous sale.

Subd. 5. [REFUNDING.] The authority may issue its bonds for the purpose of refunding any bonds of the authority then outstanding, including the payment of any redemption premiums and any interest accrued or to accrue to the date of redemption of the outstanding bonds. Until the proceeds of bonds issued for the purpose of refunding outstanding bonds are applied to the purchase or retirement of outstanding bonds or the redemption of outstanding bonds, the proceeds may be placed in escrow and be invested and reinvested in accordance with the provisions of this chapter. The interest, income, and profits earned or realized on an investment may also be applied to the payment of the outstanding bonds to be refunded by purchase, retirement, or redemption. After the terms of the escrow have been fully satisfied and carried out, any balance of proceeds and interest earned or realized on the investments may be returned to the authority for use by it in any lawful manner. All refunding bonds shall be issued and secured and are subject to the provisions of this chapter in the same manner and to the same extent as other bonds.

Subd. 6. [ANTICIPATION NOTES.] The authority may issue negotiable bond anticipation notes and may renew them from time to time, but the maximum maturity of the notes, including renewals, must not exceed ten years from the date of issue of the original notes. Notes are payable from any available money of the authority not otherwise pledged or from the proceeds of the sale of bonds in anticipation of which the notes were issued. Notes may be issued for any corporate purpose of the authority. Notes must be issued in the same manner as bonds and notes and the resolution authorizing them may contain any provisions, conditions, or limitations, not inconsistent with the provisions of this subdivision, which the bonds or a bond resolution of the authority may contain. Notes may be sold at public or private sale. In case of default on its notes or violation of any obligations of the authority to the noteholders, the noteholders have all the remedies provided in this chapter for bondholders. Notes are as fully negotiable as bonds of authority.

Subd. 7. [FILING.] A copy of each pledge agreement by or to the

authority, including without limitation each bond resolution, indenture of trust or similar agreement, or any revisions or supplements to it must be filed with the secretary of state and no further filing or other action under article 9 of the Uniform Commercial Code or any other law of the state is required to perfect the security interest in the collateral or any additions to it or substitutions for it and the lien and trust so created are binding from and after the time made against all parties having claims of any kind in tort, contract, or otherwise against the pledgor.

Subd. 8. [PERSONAL LIABILITY LIMITED.] Members of the authority and any person executing its bonds are not liable personally on the bonds or subject to personal liability or accountability by reason of the issuance of the authority's bonds.

Subd. 9. [NOTICE.] The authority shall publish a notice of intention to issue bonds in a newspaper published and of general circulation in the state. The notice shall include a statement of the maximum amount of bonds proposed to be issued and, in general, what net revenues will be pledged to pay the bonds and interest on them. An action may not be brought questioning the legality of the bonds or the power of the authority to issue the bonds or the legality of any proceedings in connection with the authorization or issuance of the bonds after 60 days from the date of publication of the notice.

### Sec. 13. [41C.08] [RESERVE FUNDS AND APPROPRIATIONS.]

Subdivision 1. [AUTHORITY.] The authority may create and establish one or more special funds, each to be known as a "bond reserve fund" and shall pay into each bond reserve fund any money appropriated and made available by the state for the purpose of the fund, any proceeds of sale of bonds to the extent provided in the resolutions of the authority authorizing their issuance, and any other money that is available to the authority for the purpose of the fund from any other sources. Money held in a bond reserve fund, except as otherwise provided in this chapter, must be used as required solely for the payment of the principal of bonds secured in whole or in part by the fund or of the sinking fund payments with respect to the bonds, the purchase or redemption of the bonds, the payment of interest on the bonds, or the payments of any redemption premium required to be paid when the bonds are redeemed prior to maturity.

Subd. 2. [WITHDRAWALS.] Money in a bond reserve fund may not be withdrawn from it in an amount that will reduce the amount of the fund to less than the bond reserve fund requirement established for the fund, as provided in this section, except for the purpose of making payment when due of principal, interest, redemption premiums, and the sinking fund payments with respect to the bonds for the payment of which other money of the authority is not available. Any income or interest earned by, or incremental to, a

bond reserve fund due to the investment of it may be transferred by the authority to other funds or accounts of the authority to the extent the transfer does not reduce the amount of that bond reserve fund below the bond reserve fund requirement for it.

Subd. 3. [ISSUANCE OF SECURED BONDS.] The authority may not at any time issue bonds, secured in whole or in part by a bond reserve fund if, upon the issuance of the bonds, the amount in the bond reserve fund will be less than the bond reserve fund requirement for the fund, unless the authority at the time of issuance of the bonds deposits in the fund from the proceeds of the bonds issued or from other sources an amount which, together with the amount then in the fund will not be less than the bond reserve fund requirement for the fund. For the purposes of this section, the term "bond reserve fund requirement" means, as of any particular date of computation, an amount of money required to be on deposit therein in the bond reserve fund, as provided in the resolutions of the authority authorizing the bonds with respect to which the fund is established.

Subd. 4. [MAINTENANCE OF LEVELS.] To assure the continued operation and solvency of the authority for the carrying out of its corporate purposes, provision is made in subdivision 1 for the accumulation in each bond reserve fund of an amount equal to the bond reserve fund requirement for the fund. In order further to assure maintenance of the bond reserve funds, the chair of the authority shall, on or before July 1 of each calendar year, make and deliver to the governor a certificate stating the sum, if any, required to restore each bond reserve fund to its bond reserve fund requirement. Within 30 days after the beginning of the session of the legislature next following the delivery of the certificate, the governor may submit to both houses printed copies of a budget including any sum required to restore each bond reserve fund to its bond reserve fund requirement. Sums appropriated by the legislature and paid to the authority under this section must be deposited by the authority in the applicable bond reserve fund.

Subd. 5. [REPAYMENT.] Amounts paid over to the authority by the state under this section constitute and must be accounted for as advances by the state to the authority and, subject to the rights of the holders of any bonds of the authority, must be repaid to the state without interest from all available operating revenues of the authority in excess of amounts required for the payment of bonds, the bond reserve fund, and operating expenses.

Subd. 6. [ANNUAL REPORT.] The authority shall cause to be delivered to the finance committees in the legislature within 90 days of the close of its fiscal year its annual report certified by an independent certified public accountant, who may be the accountant or a member of the firm of accountants who regularly audits the books and accounts of the authority selected by the authority. In the event that the principal amount of any bonds deposited in a bond

reserve fund is withdrawn for payment of principal or interest thereby reducing the amount of that fund to less than the bond reserve fund requirement, the authority shall immediately notify the legislature of this event and take steps to restore the fund to its bond reserve fund requirement from any amounts available, other than principal of a bond issue, that are not pledged to the payment of other bonds.

Sec. 14. [41C.09] [REMEDIES OF BONDHOLDERS.]

Subdivision 1. [DEFAULT.] If the authority defaults in the payment of principal or interest on an issue of bonds at maturity or upon call for redemption and the default continues for a period of 30 days or if the authority fails or refuses to comply with the provisions of this chapter, or defaults in an agreement made with the holders of an issue of bonds, the holders of 25 percent in aggregate principal amount of bonds of the issue then outstanding, by instrument filed in the office of the clerk of the county in which the principal office of the authority is located and proved or acknowledged in the same manner as a deed to be recorded, may appoint a trustee to represent the holders of the bonds for the purposes provided in this section.

Subd. 2. [ACTIONS.] The authority or any trustee appointed under the indenture under which the bonds are issued may, but upon written request of the holders of 25 percent in aggregate principal amount of the issue of bonds then outstanding shall:

(1) enforce all rights of the bondholders including the right to require the authority to carry out its agreements with the holders and to perform its duties under this chapter;

(2) bring suit upon the bonds;

(3) by action require the authority to account as if it were the trustee of an express trust for the holders;

(4) by action enjoin any acts or things which are unlawful or in violation of the rights of the holders; and

(5) declare all the bonds due and payable and, if all defaults are made good, with the consent of the holders of 25 percent of the aggregate principal amount of the issue of bonds then outstanding, annul the declaration and its consequences.

Subd. 3. [TRUSTEE'S POWERS.] The trustees may exercise functions specifically set forth or incident to the general representation of bondholders in the enforcement and protection of their rights.

Subd. 4. [NOTICE.] Before declaring the principal of bonds due

and payable, the trustee shall first give 30 days' notice in writing to the governor, to the authority, and to the attorney general of the state.

Subd. 5. [JURISDICTION.] The district court has jurisdiction of any action by the trustee on behalf of bondholders. The venue of the action is in the county in which the principal office of the authority is located.

The bondholders may, to the extent provided in the resolution to which the bonds were issued or in its agreement with the authority, enforce any of the remedies in subdivision 2, clauses (1) to (5), or the remedies provided in the proceedings or agreements for and on their own behalf.

Sec. 15. [41C.10] [BONDS AS LEGAL INVESTMENTS.]

Bonds are securities in which public officers, state departments and agencies, political subdivisions, insurance companies, and other persons carrying on an insurance business, banks, trust companies, savings and loan associations, investment companies, and other persons carrying on a banking business, administrators, executors, guardians, conservators, trustees, and other fiduciaries and other persons authorized to invest in bonds or other obligations of this state may properly and legally invest funds including capital in their control or belonging to them. The bonds are also securities which may be deposited with and may be received by public officers, state departments and agencies, and political subdivisions for any purpose for which the deposit of bonds or other obligations of this state is authorized.

Sec. 16. [41C.11] [CONFLICTS OF INTEREST.]

Subdivision 1. [DISCLOSURE; PROHIBITIONS.] If a member or employee of the authority has an interest, either direct or indirect, in a contract to which the authority is or is to be a party or in a mortgage lender requesting a loan from or offering to sell mortgage or secured loans to the authority, the interest must be disclosed to the authority in writing and must be set forth in the minutes of the authority. The member or employee having the interest may not participate in action by the authority with respect to that contract or mortgage lender.

The total base level of appropriations and complement currently assigned to the department of finance for purposes of administering the rural finance authority, under chapter 41B, is transferred to the department of agriculture. This transfer is effective July 1, 1991.

Sec. 17. [41C.12] [APPLICATION AND ORIGINATION FEE; FUND CREATED.]



(a) There is created in the general fund a rural finance authority administrative fund. Proceeds from the application and origination fees assessed by the authority under paragraph (b) must be deposited in the dedicated fund. Beginning July 1, 1993, money in the fund is appropriated as needed to the director of the rural finance authority for administrative costs of the agricultural development bond beginning farmer and agricultural business enterprise loan program.

(b) The authority may impose a reasonable application and origination fee for each loan issued under the beginning farmer and agricultural business enterprise loan program. The fee must be deposited in the rural finance authority administrative fund created in paragraph (a).

Sec. 18. Minnesota Statutes 1990, section 474A.02, subdivision 13a, is amended to read:

Subd. 13a. [MANUFACTURING SMALL ISSUE POOL.] “Manufacturing Small issue pool” means the amount of the annual volume cap allocated under section 474A.061, that is available for the issuance of small issue bonds to finance manufacturing projects, and the agricultural development bond program authorized in sections 6. to 17.

Sec. 19. Minnesota Statutes 1990, section 474A.02, subdivision 23a, is amended to read:

Subd. 23a. [QUALIFIED BONDS.] “Qualified bonds” means the specific type or types of obligations that are subject to the annual volume cap. Qualified bonds include the following types of obligations as defined in federal tax law:

(a) “public facility bonds” means “exempt facility bonds” as defined in federal tax law, except for residential rental project bonds, which are those obligations issued to finance airports, docks and wharves, mass commuting facilities, facilities for the furnishing of water, sewage facilities, solid waste disposal facilities, facilities for the local furnishing of electric energy or gas, local district heating or cooling facilities, and qualified hazardous waste facilities;

(b) “residential rental project bonds” which are those obligations issued to finance qualified residential rental projects;

(c) “mortgage bonds”;

(d) “small issue bonds” issued to finance manufacturing projects and the acquisition or improvement of agricultural property under sections 6 to 17;

- (e) "student loan bonds";
- (f) "redevelopment bonds"; and

(g) "governmental bonds" with a nonqualified amount in excess of \$15,000,000 as set forth in section 141(b)5 of federal tax law.

Sec. 20. Minnesota Statutes 1990, section 474A.03, subdivision 1, is amended to read:

Subdivision 1. [ANNUAL VOLUME CAP UNDER FEDERAL TAX LAW; POOL ALLOCATIONS.] At the beginning of each calendar year after December 31, ~~1990~~ 1991, the commissioner shall determine the aggregate dollar amount of the annual volume cap under federal tax law for the calendar year, and of this amount the commissioner shall make the following allocation:

(1) \$75,000,000 to the ~~manufacturing~~ small issue pool, of which \$..... must be reserved for the agricultural development bond program authorized under sections 6 to 17;

(2) \$46,000,000 to the housing pool;

(3) \$10,000,000 to the public facilities pool; and

(4) amounts to be allocated as provided in subdivision 2a.

If the annual volume cap is greater or less than the amount of bonding authority allocated under clauses (1) to (4) and subdivision 2a, paragraph (a), clauses (1) to (3), the allocation must be adjusted so that each adjusted allocation is the same percentage of the annual volume cap as each original allocation is of the total bonding authority originally allocated.

Sec. 21. Minnesota Statutes 1990, section 474A.061, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] (a) An issuer may apply for an allocation under this section by submitting to the department an application on forms provided by the department, accompanied by (1) a preliminary resolution, (2) a statement of bond counsel that the proposed issue of obligations requires an allocation under this chapter, (3) the type of qualified bonds to be issued, (4) an application deposit in the amount of one percent of the requested allocation before the last Monday in August, or in the amount of two percent of the requested allocation on or after the last Monday in August, and (5) a public purpose scoring worksheet for ~~small issue manufacturing project applications~~. The issuer must pay the application deposit by check. The Minnesota housing finance agency and the Minnesota

rural finance authority may apply for and receive an allocation under this section without submitting an application deposit.

(b) An entitlement issuer may not apply for an allocation from the housing pool or from the public facilities pool unless it has either permanently issued bonds equal to the amount of its entitlement allocation for the current year plus any amount of bonding authority carried forward from previous years or returned for reallocation all of its unused entitlement allocation. For purposes of this subdivision, its entitlement allocation includes an amount obtained under section 474A.04, subdivision 6.

(c) If an application is rejected under this section, the commissioner must notify the applicant and return the application deposit to the applicant within 30 days unless the applicant requests in writing that the application be resubmitted. The granting of an allocation of bonding authority under this section must be evidenced by a certificate of allocation.

Sec. 22. Minnesota Statutes 1990, section 474A.061, subdivision 2b, is amended to read:

Subd. 2b. [~~MANUFACTURING SMALL ISSUE POOL ALLOCATION.~~] From the beginning of the calendar year until the last Monday in August, the commissioner shall allocate available bonding authority from the ~~manufacturing small issue pool~~ on Monday of each week to applications received on or before the Monday of the preceding week. The amount of allocation provided to an issuer for a specific manufacturing project will be based on the number of points received for the proposed project under the scoring system under section 474A.045. Proposed projects that receive 50 points or more are eligible for all of the proposed allocation. Proposed projects that receive less than 50 points are eligible to receive a proportionally reduced share of the proposed authority.

If there are two or more applications for manufacturing projects from the ~~manufacturing small issue pool~~ and there is insufficient bonding authority to provide allocations for all projects in any one week after all eligible bonding authority has been transferred as provided in section 474A.081, the available bonding authority shall be awarded by lot unless otherwise agreed to by the respective issuers.

Sec. 23. Minnesota Statutes 1990, section 474A.061, subdivision 3, is amended to read:

Subd. 3. [ADDITIONAL DEPOSIT.] An issuer which has received an allocation under this section may retain any unused portion of the allocation after the first Tuesday in September only if the issuer has submitted to the department before the first Tuesday in September a letter stating its intent to issue obligations pursuant to the

allocation before the end of the calendar year or within the time period permitted by federal tax law and a deposit in addition to that provided under subdivision 1, equal to one percent of the amount of allocation to be retained. The Minnesota housing finance agency and the Minnesota rural finance authority may retain an unused portion of an allocation after the first Tuesday in September without submitting an additional deposit.

Sec. 24. Minnesota Statutes 1990, section 474A.061, subdivision 4, is amended to read:

Subd. 4. [RETURN OF ALLOCATION; DEPOSIT REFUND.] (a) If an issuer that receives an allocation under this section determines that it will not issue obligations equal to all or a portion of the allocation received under this section within 90 days of allocation or within the time period permitted by federal tax law, whichever is less, the issuer must notify the department. If the issuer notifies the department or the 90-day period since allocation has expired prior to the last Monday in August, the amount of allocation is canceled and returned for reallocation through the pool from which it was originally allocated. If the issuer notifies the department or the 90-day period since allocation has expired on or after the last Monday in August, the amount of allocation is canceled and returned for reallocation through the unified pool. If the issuer notifies the department after the last Monday in November, the amount of allocation is canceled and returned for reallocation to the Minnesota housing finance agency.

(b) An issuer that returns for reallocation all or a portion of an allocation received under this section within 90 days of allocation shall receive within 30 days a refund equal to:

(1) one-half of the application deposit for the amount of bonding authority returned within 30 days of receiving allocation;

(2) one-fourth of the application deposit for the amount of bonding authority returned between 31 and 60 days of receiving allocation; and

(3) one-eighth of the application deposit for the amount of bonding authority returned between 61 and 90 days of receiving allocation.

No refund shall be available for allocations returned 90 or more days after receiving the allocation. This subdivision does not apply to the Minnesota housing finance agency or the Minnesota rural finance authority.

Sec. 25. Minnesota Statutes 1990, section 474A.081, is amended to read:

## 474A.081 [POOL TRANSFERS.]

Subdivision 1. [AUTHORITY TO TRANSFER BONDING AUTHORITY.] If there is insufficient bonding authority in either the ~~manufacturing small issue~~ pool or the multifamily housing pool to provide allocations for applications received in any one week, additional bonding authority for small issue bonds and residential rental project bonds may be obtained under this section.

Subd. 2. [TRANSFER LIMITS.] No transfer of bonding authority may be made from any pool for qualified bonds not eligible to receive allocations from that pool (i) prior to June 30, or (ii) if, on June 30, allocations of bonding authority have been made from that pool equal to or exceeding 50 percent of the annual volume cap originally allocated to that pool. For 1987, the amount considered originally allocated to each of the pools shall be \$80,000,000 for the ~~manufacturing small issue~~ pool and \$60,000,000 for the multifamily housing pool.

Subd. 4. [POOL TRANSFERS.] If there is insufficient bonding authority to provide allocations for all small issue bonds or residential rental project bonds in any one week, applications for small issue bonds may receive bonding authority from the multifamily housing pool or applications for residential rental project bonds may receive bonding authority from the ~~manufacturing small issue~~ pool, except as provided in subdivision 2. If bonding authority is transferred from one pool to the other pool, applications for small issue bonds must receive priority for allocations from the ~~manufacturing small issue~~ pool, and applications for residential rental project bonds must receive priority for allocations from the multifamily housing pool.

Sec. 26. Minnesota Statutes 1990, section 474A.091, is amended to read:

## 474A.091 [ALLOCATION OF UNIFIED POOL.]

Subdivision 1. [UNIFIED POOL AMOUNT.] On the day after the last Monday in August any bonding authority remaining unallocated from the ~~manufacturing small issue~~ pool, the housing pool, and the public facilities pool is transferred to the unified pool and must be reallocated as provided in this section.

Subd. 2. [APPLICATION.] ~~An issuer~~ Issuers other than the Minnesota rural finance authority may apply for an allocation under this section by submitting to the department an application on forms provided by the department accompanied by (1) a preliminary resolution, (2) a statement of bond counsel that the proposed issue of obligations requires an allocation under this chapter, (3) the type of qualified bonds to be issued, (4) an application deposit in the amount of two percent of the requested allocation, and (5) a public

purpose scoring worksheet for ~~small issue~~ manufacturing applications. The issuer must pay the application deposit by check. An entitlement issuer may not apply for an allocation for public facility bonds, residential rental project bonds, or mortgage bonds under this section unless it has either permanently issued bonds equal to the amount of its entitlement allocation for the current year plus any amount carried forward from previous years or returned for reallocation all of its unused entitlement allocation. For purposes of this subdivision, its entitlement allocation includes an amount obtained under section 474A.04, subdivision 6.

The Minnesota housing finance agency may not apply for an allocation for mortgage bonds under this section until after the last Monday in September. Notwithstanding the restrictions imposed on unified pool allocations after October 1 under subdivision 3, paragraph (c)(2), the Minnesota housing finance agency may be awarded allocations for mortgage bonds from the unified pool after October 1. The Minnesota housing finance agency may apply for and receive an allocation under this section without submitting an application deposit.

Subd. 3. [ALLOCATION PROCEDURE.] (a) The commissioner shall allocate available bonding authority under this section on the Monday of every other week beginning with the first Monday in September through and on the last Monday in November. Applications for allocations must be received by the department by the Monday preceding the Monday on which allocations are to be made. If a Monday falls on a holiday, the allocation will be made or the applications must be received by the next business day after the holiday.

(b) On or before October 1, allocations shall be awarded from the unified pool in the following order of priority:

- (1) applications for small issue bonds;
- (2) applications for residential rental project bonds;
- (3) applications for public facility projects funded by public facility bonds;
- (4) applications for redevelopment bonds;
- (5) applications for mortgage bonds; and
- (6) applications for governmental bonds.

Allocations for residential rental projects may only be made during the first allocation in September. The amount of allocation provided to an issuer for a specific manufacturing project will be

based on the number of points received for the proposed project under the scoring system under section 474A.045. Proposed manufacturing projects that receive 50 points or more are eligible for all of the proposed allocation. Proposed manufacturing projects that receive less than 50 points under section 474A.045 are only eligible to receive a proportionally reduced share of the proposed authority. If there are two or more applications for manufacturing projects from the unified pool and there is insufficient bonding authority to provide allocations for all manufacturing projects in any one allocation period, the available bonding authority shall be awarded based on the number of points awarded a project under section 474A.045 with those projects receiving the greatest number of points receiving allocation first.

(c)(1) On the first Monday in October, \$20,000,000 of bonding authority or an amount equal to the total annual amount of bonding authority allocated to the ~~manufacturing~~ small issue pool under section 474A.03, subdivision 1, less the amount allocated to issuers from the ~~manufacturing~~ small issue pool for that year, whichever is less, is reserved within the unified pool for small issue bonds. On the first Monday in October, \$2,500,000 of bonding authority or an amount equal to the total annual amount of bonding authority allocated to the public facilities pool under section 474A.03, subdivision 1, less the amount allocated to issuers from the public facilities pool for that year, whichever is less, is reserved within the unified pool for public facility bonds. If sufficient bonding authority is not available to reserve the required amounts for both small issue bonds and public facility bonds, seven-eighths of the remaining available bonding authority is reserved for small issue bonds and one-eighth of the remaining available bonding authority is reserved for public facility bonds.

(2) The total amount of allocations for mortgage bonds from the housing pool and the unified pool may not exceed:

- (i) \$10,000,000 for any one city; or
- (ii) \$20,000,000 for any number of cities in any one county.

An allocation for mortgage bonds may be used for mortgage credit certificates.

After October 1, allocations shall be awarded from the unified pool only for the following types of qualified bonds: small issue bonds, public facility bonds, and residential rental project bonds.

(d) If there is insufficient bonding authority to fund all projects within any qualified bond category, allocations shall be awarded by lot unless otherwise agreed to by the respective issuers. If an application is rejected, the commissioner must notify the applicant and return the application deposit to the applicant within 30 days

unless the applicant requests in writing that the application be resubmitted. The granting of an allocation of bonding authority under this section must be evidenced by issuance of a certificate of allocation.

Subd. 4. [MORTGAGE BONDS.] All remaining bonding authority available for allocation under this section on December 1, is allocated to the Minnesota housing finance agency.

Subd. 5. [RETURN OF ALLOCATION; DEPOSIT REFUND.] (a) If an issuer that receives an allocation under this section determines that it will not issue obligations equal to all or a portion of the allocation received under this section within 90 days of the allocation or within the time period permitted by federal tax law, whichever is less, the issuer must notify the department. If the issuer notifies the department or the 90-day period since allocation has expired prior to the last Monday in November, the amount of allocation is canceled and returned for reallocation through the unified pool.

(b) An issuer that returns for reallocation all or a portion of an allocation received under this section within 90 days of the allocation shall receive within 30 days a refund equal to:

(1) one-half of the application deposit for the amount of bonding authority returned within 30 days of receiving the allocation;

(2) one-fourth of the application deposit for the amount of bonding authority returned between 31 and 60 days of receiving the allocation; and

(3) one-eighth of the application deposit for the amount of bonding authority returned between 61 and 90 days of receiving the allocation.

No refund of the application deposit shall be available for allocations returned on or after the last Monday in November. This subdivision does not apply to the Minnesota housing finance agency, or the Minnesota rural finance authority.

Subd. 6. [FINAL ALLOCATION; CARRYFORWARD.] Any bonding authority remaining unissued by the Minnesota housing finance agency after the last Monday in December is allocated to the department of finance for reallocation for qualified bonds eligible to be carried forward under federal tax law.

Sec. 27. Minnesota Statutes 1990, section 474A.14, is amended to read:

474A.14 [NOTICE OF AVAILABLE AUTHORITY.]



The department shall publish in the State Register a notice of the amount of bonding authority in the housing, ~~manufacturing~~ small issue, and public facilities pools as soon after January 1 as possible. The department shall publish in the State Register a notice of the amount of bonding authority available for allocation in the unified pool as soon after September 1 as possible.

Sec. 28. [APPROPRIATION.]

(a) \$..... is appropriated from the general fund to the rural finance authority for the purposes of sections 6 to 17 for the biennium ending June 30, 1993.

(b) It is the intent of the legislature that the agricultural development bond beginning farmer and agricultural business enterprise loan program established in sections 6 to 17 will be self-supporting after fiscal year 1993.

ARTICLE 2

DAIRY UPGRADE PROGRAM

Section 1. [41B.043] [DAIRY UPGRADE LOAN PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The authority shall, by October 1, 1991, establish, develop criteria for, and implement a program to buy loans made to farmers for upgrading their dairy facilities to produce Grade A rather than Grade B milk.

Subd. 2. [LOAN REQUIREMENT.] The program established in subdivision 1 must provide that the authority shall purchase loans that are made to farmers by local lenders, who are responsible for obtaining and submitting to the authority all required information on the borrower and documentation of the ability of the borrower to maintain an adequate cash flow during the term of the loan and the existence of sufficient equity in the farm to secure the loan.

Loans purchased under this program may not be for more than \$15,000 and must be secured by a mortgage on the borrower's farm. Loan terms may not be longer than ten years and payments on the loans must be made monthly.

Subd. 3. [INTEREST RATES.] Interest on loans purchased under the program established pursuant to subdivision 1 must not be subsidized by the authority.

Subd. 4. [BONDS.] The authority may issue bonds under procedures in this chapter to finance its purchase of loans pursuant to this section."

Amend the title accordingly

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 772, A bill for an act relating to agriculture; changing the composition of county extension committees; amending Minnesota Statutes 1990, section 38.36, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 38.36, subdivision 1, is amended to read:

Subdivision 1. [COMMITTEE COMPOSITION.] A county must have an extension committee. The committee must have nine members. Two members must be county commissioners appointed by the county board. The county auditor or the auditor's designee must be a member. If the county has no office of auditor, the county board shall appoint a member from the county administration. Six members must be appointed at large by the county board as provided in this section. Two of the six members appointed by the county board must be persons, or spouses of persons, actively engaged in, or retired from, farming as defined in section 500.24, subdivision 2, clause (a), and two of the members must be involved in agriculture-related business. The county board at its annual meeting shall appoint for a term of three years the number of members required to fill the memberships on that committee expiring at that time.”

Amend the title accordingly

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 784, A bill for an act relating to agriculture; changing

the shade tree disease and wood use programs; amending Minnesota Statutes 1990, sections 18.023, subdivisions 10a and 11; and 18.024, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 25, delete "even-numbered" and insert "odd-numbered"

Page 2, delete lines 13 to 32, and insert:

"Subdivision 1. RECOMMENDATIONS WOOD UTILIZATION. ~~The department~~ departments of agriculture, in cooperation and natural resources, after consultation with the commissioner of trade and economic development, the director of public service, and the Minnesota shade tree advisory committee and the commissioners of public service, trade and economic development, shall draft recommendations for investigate, evaluate, and make recommendations to the legislature concerning the potential uses of wood from community trees removed due to disease or other disorders. These recommendations shall include maximum resource recovery through recycling, use as an alternative energy source, or use in construction or the manufacture of new products. Wood utilization or disposal systems as defined in section 18.023. These recommendations shall encourage must be included to ensure maximum utilization of diseased shade trees. In addition to ensuring maximum utilization, the recommendations must be designed with designs and procedures to ensure public safety and to assure compliance with approved disease control programs."

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

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 807, A bill for an act relating to commerce; requiring real estate brokers and salespersons to receive instruction in fair housing laws; amending Minnesota Statutes 1990, section 82.22, subdivision 13.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 82.22, subdivision 6, is amended to read:

Subd. 6. [INSTRUCTION; NEW LICENSES.] (a) After January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the examination specified in subdivision 1. After January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete an additional course of study in the real estate field consisting of 60 hours of instruction approved by the commissioner, of which three hours shall consist of training in state and federal fair housing laws, regulations, and rules, before filing an application for the license. Every salesperson licensed after January 1, 1987, shall, within one year of licensure, be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner.

(b) After December 31, 1983, and before January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the examination specified in subdivision 1. After December 31, 1983, and before January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete an additional course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before filing an application for the license. Every salesperson licensed after December 31, 1983, and before January 1, 1987, shall, within one year of the date a license was first issued, be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner.

(c) The commissioner may approve courses of study in the real estate field offered in educational institutions of higher learning in this state or courses of study in the real estate field developed by and offered under the auspices of the national association of realtors, its affiliates, or private real estate schools. The commissioner shall not approve any course offered by, sponsored by, or affiliated with any person or company licensed to engage in the real estate business. The commissioner may by rule prescribe the curriculum and qualification of those employed as instructors.

(d) After January 1, 1988, an applicant for a broker's license must successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner, of which three hours shall consist of training in state and federal fair housing laws, regulations, and rules. The course must have been completed within six months prior to the date of application for the broker's license.

(e) After August 1, 1989, an applicant for a real estate closing agent's license must successfully complete a course of study relating to closing services consisting of eight hours of instruction approved by the commissioner.

Sec. 2. Minnesota Statutes 1990, section 82.22, subdivision 13, is amended to read:

Subd. 13. [CONTINUING EDUCATION.] (a) After July 1, 1987, all real estate salespersons and all real estate brokers shall be required to successfully complete 15 hours of real estate education, either as a student or a lecturer, in courses of study approved by the commissioner, each year after their initial annual renewal date or after the expiration of their currently assigned three year continuing education due date. All salespersons and brokers shall report continuing education on an annual basis no later than June 30, 1990. Hours in excess of 15 earned in any one year may be carried forward to the following year.

(b) The commissioner shall adopt rules defining the standards for course and instructor approval, and may adopt rules for the proper administration of this subdivision.

(c) Any program approved by Minnesota continuing legal education shall be approved by the commissioner of commerce for continuing education for real estate brokers and salespeople if the program or any part thereof relates to real estate.

(d) As part of the continuing education requirements of this section, the commissioner shall require that all real estate brokers and salespersons receive at least two hours of training every even-numbered year in courses in state and federal fair housing laws, regulations, and rules.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective January 1, 1992. Section 2 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 5, delete "subdivision" and insert "subdivisions 6 and"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Murphy from the Committee on Energy to which was referred:

H. F. No. 822, A bill for an act relating to human services; permitting energy conservation activities to be funded through the Minnesota future resources fund; describing community action program grants; appropriating money; amending Minnesota Statutes 1990, sections 116P.13, subdivision 3; and 268.52, subdivision 2, and by adding a subdivision.

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

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 825, A bill for an act relating to traffic regulations; amending the implied consent law advisory; amending Minnesota Statutes 1990, section 169.123, subdivision 2.

Reported the same back with the following amendments:

Page 3, after line 23, insert:

"Sec. 2. Minnesota Statutes 1990, section 169.123, subdivision 5c, is amended to read:

Subd. 5c. [PETITION FOR JUDICIAL REVIEW.] Within 30 days following receipt of a notice and order of revocation or disqualification pursuant to this section, a person may petition the court for review, unless the person is entitled to review under section 171.166. The petition shall be filed with the district court administrator in the county where the alleged offense occurred, together with proof of service of a copy on the commissioner of public safety, and accompanied by the standard filing fee for civil actions. No responsive pleading shall be required of the commissioner of public safety, and no court fees shall be charged for the appearance of the commissioner of public safety in the matter.

The petition shall be captioned in the full name of the person making the petition as petitioner and the commissioner of public safety as respondent. The petition must include the petitioner's date of birth, driver's license number, and date of the offense. The petition shall state with specificity the grounds upon which the petitioner seeks rescission of the order of revocation, disqualification, or denial and state the facts underlying each claim asserted.

The filing of the petition shall not stay the revocation, disqualification, or denial. The reviewing court may order a stay of the balance of the revocation or disqualification if the hearing has not been conducted within 60 days after filing of the petition upon terms the court deems proper. Judicial reviews shall be conducted according to the rules of civil procedure.

Sec. 3. [EFFECTIVE DATE.]

Section 2 is effective the day after final enactment."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "simplifying the contents of a petition for judicial review under the implied consent law;"

Page 1, line 4, delete "subdivision 2" and insert "subdivisions 2 and 5c"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 826, A bill for an act relating to human services; consolidating and simplifying county mental health and community social services planning; authorizing the review and reduction of social service administrative requirements; establishing a process for limiting social services due to county fiscal limitations; amending Minnesota Statutes 1990, sections 245.465; 245.466, subdivision 5; 245.478, subdivisions 1, 2, and 6; 245.4874; 245.4875, subdivision 5; 245.4887, subdivisions 1, 2, and 6; 256.045, subdivision 3; 256E.04, subdivision 1; 256E.05, subdivisions 2, 3, 5, and by adding subdivisions; 256E.08, subdivision 1; 256E.09, subdivisions 1, 3, and 6; and 256E.12, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 256E; repealing Minnesota Statutes 1990, sections 245.462, subdivision 15; 245.4871, subdivision 23; 256B.092, subdivisions 1c and 1d; and 256E.09, subdivisions 4 and 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 245.465, is amended to read:

245.465 [DUTIES OF COUNTY BOARD.]

The county board in each county shall use its share of mental health and community social ~~service~~ services act funds allocated by the commissioner according to ~~a the biennial local mental health service proposal component of the county's community social services plan as approved by the commissioner.~~ The county board must:

(1) develop and coordinate a system of affordable and locally available adult mental health services in accordance with sections 245.461 to 245.486;

(2) with the involvement of the local adult mental health advisory council or the adult mental health subcommittee of an existing advisory council, develop a biennial adult mental health component of the community social services plan required in section 256E.09 which considers the assessment of unmet needs in the county as reported by the local adult mental health advisory council under section 245.466, subdivision 5, clause (3);

(3) provide for case management services to adults with serious and persistent mental illness in accordance with sections 245.462, subdivisions 3 and 4; 245.4711; and 245.486;

~~(3)~~ (4) provide for screening of adults specified in section 245.476 upon admission to a residential treatment facility or acute care hospital inpatient, or informal admission to a regional treatment center;

(4) (5) prudently administer grants and purchase-of-service contracts that the county board determines are necessary to fulfill its responsibilities under sections 245.461 to 245.486; and

(5) (6) assure that mental health professionals, mental health practitioners, and case managers employed by or under contract with the county to provide mental health services have experience and training in working with adults with mental illness.

Sec. 2. Minnesota Statutes 1990, section 245.466, subdivision 5, is amended to read:

Subd. 5. [LOCAL ADVISORY COUNCIL.] The county board, individually or in conjunction with other county boards, shall establish a local adult mental health advisory council or mental health subcommittee of an existing advisory council. The council's members must reflect a broad range of community interests. They must include at least one consumer, one family member of an adult



with mental illness, one mental health professional, and one community support services program representative. The local adult mental health advisory council or mental health subcommittee of an existing advisory council shall meet at least quarterly to review, evaluate, and make recommendations regarding the local mental health system. Annually, the local adult mental health advisory council or mental health subcommittee of an existing advisory council shall:

(1) arrange for input from the regional treatment center's mental illness program unit regarding coordination of care between the regional treatment center and community-based services;

(2) identify for the county board the individuals, providers, agencies, and associations as specified in section 245.462, subdivision 10; ~~and~~

(3) provide to the county board a report of unmet mental health needs of adults residing in the county to be included in the county's biennial mental health component of the community social services plan required in section 256E.09 and participate in developing the mental health component of the plan; and

(4) coordinate its review, evaluation, and recommendations regarding the local mental health system with the state advisory council on mental health.

The county board shall consider the advice of its local mental health advisory council or mental health subcommittee of an existing advisory council in carrying out its authorities and responsibilities.

Sec. 3. Minnesota Statutes 1990, section 245.478, subdivision 1, is amended to read:

Subdivision 1. [TIME PERIOD SUBMITTAL OF ADULT MENTAL HEALTH COMPONENT.] ~~The first local mental health proposal period is from July 1, 1988, to December 31, 1989. The county board shall submit its first proposal to the commissioner by January 1, 1988. Subsequent proposals must be on the same two-year cycle as community social service plans. If a proposal complies with sections 245.461 to 245.486, it satisfies the requirement of the community social service plan for the mental illness target population as required by section 256E.09. The proposal must be made available upon request to all residents of the county at the same time it is submitted to the commissioner. Beginning in 1993, and every two years thereafter, the county board shall submit to the commissioner the adult mental health component of the community social services plan required under section 256E.09.~~

Sec. 4. Minnesota Statutes 1990, section 245.478, subdivision 2, is amended to read:

Subd. 2. [PROPOSAL CONTENT OF ADULT MENTAL HEALTH COMPONENT.] Content of the local adult mental health proposal must include: component of the community social services plan is governed by section 256E.09.

(1) the local adult mental health advisory council's or adult mental health subcommittee of an existing advisory council's report on unmet needs of adults and any other needs assessment used by the county board in preparing the local adult mental health proposal;

(2) a description of the local adult mental health advisory council's or the adult mental health subcommittee of an existing advisory council's involvement in preparing the local adult mental health proposal and methods used by the county board to ensure adequate and timely participation of citizens, mental health professionals, and providers in development of the local mental health proposal;

(3) information for the preceding year, including the actual number of clients who received each of the mental health services listed in sections 245.468 to 245.476, and actual expenditures for each mental health service and service waiting lists; and

(4) the following information describing how the county board intends to meet the requirements of sections 245.461 to 245.486 during the proposal period:

(i) specific objectives and outcome goals for each adult mental health service listed in sections 245.461 to 245.486;

(ii) a description of each service provider, including county agencies, contractors, and subcontractors, that is expected to either be the sole provider of one of the adult mental health services described in sections 245.461 to 245.486 or to provide over \$10,000 of adult mental health services per year, including a listing of the professional qualifications of the staff involved in service delivery for the county;

(iii) a description of how the adult mental health services in the county will be unified and coordinated;

(iv) the estimated number of clients who will receive each adult mental health service; and

(v) estimated expenditures for each adult mental health service and revenues for the entire proposal.

Sec. 5. Minnesota Statutes 1990, section 245.478, subdivision 6, is amended to read:

Subd. 6. PROPOSAL ADULT MENTAL HEALTH COMPONENT OF THE COMMUNITY SOCIAL SERVICES PLAN; APPROVAL. The commissioner shall review each ~~local~~ county's adult mental health ~~proposal~~ component of the community social services plan within ~~90~~ 60 days and work with the county board to make any necessary modifications to comply with sections 245.461 to 245.486. After the commissioner has approved the ~~proposal~~ adult mental health component of the community social services plan, the county board is eligible to receive an allocation of mental health and community social ~~service~~ services act funds.

Sec. 6. Minnesota Statutes 1990, section 245.4874, is amended to read:

245.4874 [DUTIES OF COUNTY BOARD.]

The county board in each county shall use its share of mental health and community social ~~service~~ services act funds allocated by the commissioner according to a biennial ~~local~~ children's mental health ~~service~~ proposal component of the community social services plan required under section 245.4887, and approved by the commissioner. The county board must:

(1) develop a system of affordable and locally available children's mental health services according to sections 245.487 to 245.4887;

(2) with the involvement of the local children's mental health advisory council or children's mental health subcommittee of an existing advisory council, develop a biennial children's mental health component of the community social services plan required under section 256E.09 which considers the assessment of unmet needs in the county as reported by the local children's mental health advisory council under section 245.4875, subdivision 5, paragraph (b), clause (3);

(3) assure that parents and providers in the county receive information about how to gain access to services provided according to sections 245.487 to 245.4887;

~~(3)~~ (4) coordinate the delivery of children's mental health services with services provided by social services, education, corrections, health, and vocational agencies to improve the availability of mental health services to children and the cost effectiveness of their delivery;

(4) (5) assure that mental health services delivered according to sections 245.487 to 245.4887 are delivered expeditiously and are

appropriate to the child's diagnostic assessment and individual treatment plan;

~~(5)~~ (6) provide the community with information about predictors and symptoms of emotional disturbances and how to access children's mental health services according to sections 245.4877 and 245.4878;

~~(6)~~ (7) provide for case management services to each child with severe emotional disturbance according to sections 245.486; 245.4871, subdivisions 3 and 4; and 245.4881, subdivisions 1, 3, and 5;

~~(7)~~ (8) provide for screening of each child under section 245.4885 upon admission to a residential treatment facility, acute care hospital inpatient treatment, or informal admission to a regional treatment center;

~~(8)~~ (9) prudently administer grants and purchase-of-service contracts that the county board determines are necessary to fulfill its responsibilities under sections 245.487 to 245.4887;

~~(9)~~ (10) assure that mental health professionals, mental health practitioners, and case managers employed by or under contract to the county to provide mental health services are qualified under section 245.4871; and

~~(10)~~ (11) assure that children's mental health services are coordinated with adult mental health services specified in sections 245.461 to 245.486 so that a continuum of mental health services is available to serve persons with mental illness, regardless of the person's age.

Sec. 7. Minnesota Statutes 1990, section 245.4875, subdivision 5, is amended to read:

Subd. 5. [LOCAL CHILDREN'S ADVISORY COUNCIL.] (a) By October 1, 1989, the county board, individually or in conjunction with other county boards, shall establish a local children's mental health advisory council or children's mental health subcommittee of the existing local mental health advisory council or shall include persons on its existing mental health advisory council who are representatives of children's mental health interests. The following individuals must serve on the local children's mental health advisory council, the children's mental health subcommittee of an existing local mental health advisory council, or be included on an existing mental health advisory council: (1) at least one person who was in a mental health program as a child or adolescent; (2) at least one parent of a child or adolescent with severe emotional disturbance; (3) one children's mental health professional; (4) representa-

tives of minority populations of significant size residing in the county; (5) a representative of the children's mental health local coordinating council; and (6) one family community support services program representative.

(b) The local children's mental health advisory council or children's mental health subcommittee of an existing advisory council shall seek input from parents, former consumers, providers, and others about the needs of children with emotional disturbance in the local area and services needed by families of these children, and shall meet monthly, unless otherwise determined by the council or subcommittee, but not less than quarterly, to review, evaluate, and make recommendations regarding the local children's mental health system. Annually, the local children's mental health advisory council or children's mental health subcommittee of the existing local mental health advisory council shall:

(1) arrange for input from the local system of care providers regarding coordination of care between the services; ~~and~~

(2) identify for the county board the individuals, providers, agencies, and associations as specified in section 245.4877, clause (2); ~~and~~

(3) provide to the county board a report of unmet mental health needs of children residing in the county to be included in the county's biennial children's mental health component of the community social services plan required under section 256E.09 and participate in developing the mental health component of the plan.

(c) The county board shall consider the advice of its local children's mental health advisory council or children's mental health subcommittee of the existing local mental health advisory council in carrying out its authorities and responsibilities.

Sec. 8. Minnesota Statutes 1990, section 245.4887, subdivision 1, is amended to read:

Subdivision 1. [TIME PERIOD SUBMITTAL OF CHILDREN'S MENTAL HEALTH COMPONENT.] The county board shall submit its first complete children's section of its local mental health proposal to the commissioner by November 15, 1989. Subsequent proposals must be on the same two-year cycle as community social service plans. If a proposal complies with sections 245.487 to 245.4887, it satisfies the requirement of the community social service plan for the emotionally disturbed target population as required by section 256E.09. The proposal must be made available upon request to all residents of the county at the same time it is submitted to the commissioner. Beginning in 1993, and every two years thereafter, the county board shall submit to the commissioner a children's mental health component of the community social services plan required under section 256E.09.

Sec. 9. Minnesota Statutes 1990, section 245.4887, subdivision 2, is amended to read:

Subd. 2. [PROPOSAL CONTENT OF CHILDREN'S MENTAL HEALTH COMPONENT.] Content of the children's section of the local mental health proposal must include: component of the community social services plan is governed by section 256E.09.

(1) a report of the local children's mental health advisory council or children's mental health subcommittee of the existing local mental health advisory council on unmet needs of children and any other needs assessment used by the county board in preparing the local mental health proposal, including the report of the local coordinating council or local interagency task force specified in section 245.4875, subdivision 6;

(2) a description of the involvement of the local children's mental health advisory council or the children's mental health subcommittee of the existing local mental health advisory council in preparing the local mental health proposal and methods used by the county board to ensure adequate and timely participation of citizens, mental health professionals, and providers in development of the local mental health proposal;

(3) information for the preceding year, including the actual number of children who received each of the mental health services listed in sections 245.487 to 245.4887, and actual expenditures for each mental health service and service waiting lists; and

(4) the following information describing how the county board intends to meet the requirements of sections 245.487 to 245.4887 during the proposal period:

(i) specific objectives and outcome goals for each mental health service listed in sections 245.487 to 245.4887;

(ii) a description of each service provider, including county agencies, contractors, and subcontractors, that is expected to either be the sole provider of one of the mental health services described in sections 245.487 to 245.4887 or to provide over \$10,000 of mental health services per year, including a listing of the professional qualifications of the staff involved in service delivery for the county;

(iii) a description of how the mental health services in the county will be unified and coordinated, including the mechanism established by the county board providing for interagency coordination as specified in section 245.4875, subdivision 6;

(iv) the estimated number of children who will receive each mental health service; and

~~(v) estimated expenditures for each mental health service and revenues for the entire proposal.~~

Sec. 10. Minnesota Statutes 1990, section 245.4887, subdivision 6, is amended to read:

Subd. 6. [PROPOSAL CHILDREN'S MENTAL HEALTH COMPONENT OF THE COMMUNITY SOCIAL SERVICES PLAN; APPROVAL.] The commissioner shall review each county's children's section of the local mental health proposal component of the community social services plan within 90 60 days and work with the county board to make any necessary modifications to comply with sections 245.487 to 245.4887. After the commissioner has approved the proposal children's mental health component of the community social services plan, the county board is eligible to receive an allocation of mental health and community social service services act funds.

Sec. 11. Minnesota Statutes 1990, section 256.045, subdivision 3, is amended to read:

Subd. 3. [STATE AGENCY HEARINGS.] Any person applying for, receiving or having received public assistance or a program of social services granted by the state agency or a county agency under sections 252.32, 256.031 to 256.036, and 256.72 to 256.879, chapters 256B, 256D, 256E, 261, or the federal Food Stamp Act whose application for assistance is denied, not acted upon with reasonable promptness, or whose assistance is suspended, reduced, terminated, or claimed to have been incorrectly paid, or any patient or relative aggrieved by an order of the commissioner under section 252.27, or a party aggrieved by a ruling of a prepaid health plan, may contest that action or decision before the state agency by submitting a written request for a hearing to the state agency within 30 days after receiving written notice of the action or decision, or within 90 days of such written notice if the applicant, recipient, patient, or relative shows good cause why the request was not submitted within the 30-day time limit.

Except for a prepaid health plan, a vendor of medical care as defined in section 256B.02, subdivision 7, or a vendor under contract with a county agency to provide social services under section 256E.08, subdivision 4, is not a party and may not request a hearing under this section.

An applicant or recipient is not entitled to receive social services beyond the services included in the amended community social services plan developed under section 256E.081, subdivision 3, if the county agency has met the requirements in section 256E.081.

Sec. 12. Minnesota Statutes 1990, section 256E.04, subdivision 1, is amended to read:

Subdivision 1. The commissioner shall prepare a biennial social services plan and present the plan to the governor and the legislature. The commissioner shall update the plan biennially. The plan shall include:

(a) A statement of methods used to ensure intergovernmental coordination of state and local planning and delivery of community social services;

(b) A coordination statement setting forth the relationship of the state social services plan to any other federal, state or locally financed human services programs, including but not limited to, programs for the aged, children, the developmentally disabled, the chemically dependent, and programs related to corrections, education, vocational rehabilitation, mental health, housing, health, and employment; and

(c) A summary and analysis of all county biennial community social services plans;

(d) Identification of social services program requirements which counties have identified as unnecessarily administratively burdensome;

(e) Identification of social services program requirements for which inadequate state and local funding is available; and

(f) Identification of unmet needs reported by the county agencies.

The commissioner shall consult with the heads of human service related state departments and agencies in preparing the coordination statement required by this subdivision.

Sec. 13. Minnesota Statutes 1990, section 256E.05, is amended by adding a subdivision to read:

Subd. 1a. [REVIEW OF ADMINISTRATIVE REQUIREMENTS.] The commissioner may review social services administrative rule requirements and adopt amendments under chapter 14 to reduce administrative costs and complexity by eliminating unnecessary or excessive paperwork, simplifying or consolidating program requirements, or emphasizing outcomes rather than procedures. In determining the reasonableness of the requirements, the commissioner shall consider the needs the service was developed to address and the adequacy of the state and local funding available to provide the service.

Sec. 14. Minnesota Statutes 1990, section 256E.05, subdivision 2, is amended to read:



Subd. 2. [PLAN APPROVAL.] Within ~~45~~ 60 days after submission of the community social services plan by the counties pursuant to section 256E.09, subdivision 4 1, the commissioner shall certify whether the plan fulfills the purposes and requirements of section 256E.09, state and federal law and the rules of the state agency. On certifying that the plan does not do so, the commissioner shall state the reasons therefore, and the county shall have 30 days to submit a plan amended to comply with the requirements of the commissioner. If the county fails to resubmit a plan amended as required by the commissioner, the commissioner shall notify the county of the intention to reduce the next quarterly payment by an amount equal to one-third of one percent of the county's annual entitlement for each 30 day period during which the county fails to amend the plan as required by the commissioner. The county board has the right to appeal the commissioner's decision pursuant to section 256E.06, subdivision 10.

Sec. 15. Minnesota Statutes 1990, section 256E.05, subdivision 3, is amended to read:

Subd. 3. [ADDITIONAL DUTIES.] The commissioner shall also:

(a) Provide necessary forms and instructions to the counties for plan format and information;

(b) To the extent possible, coordinate other categorical social ~~service~~ services grant applications and plans required of counties so that the applications and plans are included in and are consistent with the timetable and other requirements for the community social services plan in subdivision 2 and section 256E.09;

(c) Provide to the chair of each county board, in addition to notice required pursuant to sections 14.05 to 14.36, timely advance notice and a written summary of the fiscal impact of any proposed new rule or changes in existing rule which will have the effect of increasing county costs for community social services;

(d) Provide training, technical assistance, and other support services to county boards to assist in needs assessment, planning, implementing, and monitoring social services programs in the counties;

(e) Design and implement a method of monitoring and evaluating social services, including site visits that utilize quality control audits to assure county compliance with applicable standards, guidelines, and the county and state social services plans;

(f) Design and implement a system that uses corrective action procedures as established in subdivision 5 and a schedule of fines to ensure county compliance with statutes, rules, federal laws, and

federal regulations governing community social services. In determining the amount of the fine, the commissioner may consider the number of community social services clients or applicants affected by the county's failure to comply with the law or rule, the severity of the noncompliance, ~~and the duration of the noncompliance as determined by the commissioner,~~ the resources allocated for the provision of the service in the community social services plan approved under section 256E.09, and the amount the county is levying for social services and income maintenance programs under section 275.50, subdivision 5. Fines levied against a county under this subdivision must not exceed ten percent of the county's community social services allocation for the year in which the fines are levied;

(g) Design and implement an incentive program for the benefit of counties that perform at a level that consistently meets or exceeds the minimum standards in law and rule. Fines collected under paragraph (e) may be placed in an incentive fund and used for the benefit of counties that meet and exceed the minimum standards;

(h) Specify requirements for reports, including fiscal reports, according to section 256.01, subdivision 2, paragraph (17), to account for aids distributed under section 256E.06, funds from Title XX of the Social Security Act distributed under Minnesota Statutes, section 256E.07, claims under Title IV-E of the Social Security Act, mental health funding, and other social ~~service~~ services expenditures and activities; and

(i) Request waivers from federal programs as necessary to implement sections 256E.01 to 256E.12.

Sec. 16. Minnesota Statutes 1990, section 256E.05, is amended by adding a subdivision to read:

Subd. 3a. [DEMONSTRATION PROJECT.] (a) The commissioner may establish demonstration projects to test alternatives to existing state requirements.

(b) At least one demonstration project may be developed to demonstrate alternative methods of social services planning. For the purposes of this demonstration project, the commissioner:

(1) shall allow participating counties to combine all social services plans into one comprehensive plan unless a separate plan is necessary to comply with federal regulations or maintain federal financial participation;

(2) may waive social service program maintenance of effort requirements not required to comply with federal regulations or

maintain federal financial participation, at the request of a county or counties participating in the planning process;

(3) may exempt counties participating in the planning demonstration from fiscal sanctions for noncompliance with social services requirements in state statute, provided the county proposal includes a schedule of fines for noncompliance approved by the commissioner;

(4) may establish a county match requirement for social services. If the county has spent or obligated all of its state and federal social services funds and the required matching funds, the county must be considered to be making reasonable efforts to comply with all state social services requirements as required in section 256E.081, subdivision 2, and is not required to provide social services beyond the services included in the county's amended community social services plan; and

(5) shall require participating counties to describe the system to be used to evaluate performance under the combined county plan.

(c) At least one demonstration project may be developed to test alternative methods of delivering services to persons with developmental disabilities or persons with mental illness.

(d) Up to six demonstration projects may be established to test alternatives to existing requirements that maintain or enhance services but reduce administrative burdens, eliminate unnecessary or excessive paperwork, simplify or consolidate requirements, or otherwise reduce administrative costs and complexity of social services programs.

(e) The commissioner shall consult with county staff, service providers, and service recipients or their advocates in the selection of the proposals for the demonstration projects.

(f) In selecting the demonstration projects, the commissioner may give preference to proposals submitted by two or more counties.

(g) During the duration of the demonstration projects, the commissioner may waive administrative rule requirements in the demonstration counties if the proposal demonstrates that the needs the requirements were developed to address can be met using an alternative approach. The commissioner shall not waive rule requirements which affect an individual's eligibility for services or right to due process.

(h) If the county fails to meet the conditions in the demonstration project proposal as approved by the commissioner, the commissioner may rescind the waiver of the rule requirements.

(i) The demonstration projects must be completed by July 1, 1995.

(j) The legislative auditor shall evaluate the results of the demonstration projects.

(k) If the results of the demonstration projects indicate that the needs the administrative rule requirements were developed to address can be met by means that are less costly and less prescriptive, and that give counties greater flexibility when providing social services, the commissioner may amend or repeal the appropriate social services rule requirement under chapter 14. If the requirement is specified in statute, the commissioner shall recommend legislative changes in the biennial state plan under section 256E.04, subdivision 1.

Sec. 17. Minnesota Statutes 1990, section 256E.05, subdivision 5, is amended to read:

Subd. 5. [CORRECTIVE ACTION PROCEDURE.] The commissioner must comply with the following procedures when imposing fines under subdivision 3, paragraph (e), or reducing county funds under subdivision 4.

(a) The commissioner shall notify the county, by certified mail, of the statute, rule, federal law, or federal regulation with which the county has not complied.

(b) The commissioner shall give the county 30 days to demonstrate to the commissioner that the county is in compliance with the statute, rule, federal law, or federal regulation cited in the notice or to develop a corrective action plan to address the problem. Upon request from the county, the commissioner shall provide technical assistance to the county in developing a corrective action plan. The county shall have 30 days from the date the technical assistance is provided to develop the corrective action plan.

(c) The commissioner shall take no further action if the county demonstrates compliance.

(d) The commissioner shall review and approve or disapprove the corrective action plan within 30 days after the commissioner receives the corrective action plan.

(e) If the commissioner approves the corrective action plan submitted by the county, the county has 90 days after the date of approval to implement the corrective action plan.

(f) If the county fails to demonstrate compliance or fails to implement the corrective action plan approved by the commissioner, the commissioner may fine the county according to subdivision 3,

paragraph (e), or may reduce the county's share of state or federal funds according to subdivision 4.

(g) The commissioner may not impose a fine or reduce funds under this subdivision if the county demonstrates that:

(1) the county is unable to comply with a social services administrative rule due to fiscal limitations and the county has met the requirements in section 256E.081; or

(2) the commissioner failed to provide appropriate forms, guidelines, and technical assistance to enable the county to comply with the requirements.

(h) The county may appeal the fine or the reduction in funds under section 256E.06, subdivision 10.

Sec. 18. Minnesota Statutes 1990, section 256E.08, subdivision 1, is amended to read:

Subdivision 1. [RESPONSIBILITIES.] The county board of each county shall be responsible for administration, planning and funding of community social services. Each county board shall singly or in combination with other county boards as provided in section 256E.09 prepare a social services plan and shall update the plan biennially. Upon final approval of the plan by the county board or boards, the plan shall be submitted to the commissioner. The county board shall distribute money available pursuant to sections 256E.06 and 256E.07 for community social services.

The authority and responsibilities of county boards for social services for groups of persons identified in section 256E.03, subdivision 2, shall include contracting for or directly providing:

(1) information about the symptoms and characteristics of specific problems of the identified groups to increase understanding and acceptance by the general public, to help alleviate fears of seeking help, and to enable access to appropriate assistance;

(2) an assessment of the needs of each person applying for assistance which estimates the nature and extent of the problem to be addressed and identifies the means available to meet the person's needs. These diagnostic and evaluation activities shall evaluate the functioning of each person with regard to an illness or disability, screen for placement, and determine the need for services;

(3) protection aimed at alleviating urgent needs of each person by determining urgent need, shielding persons in hazardous conditions when they are unable to care for themselves, and providing urgently needed assistance;

(4) supportive and rehabilitative activities that assist each person to function at the highest level of independence possible for the person, preferably without removing the person from home. These activities include coordinating with local public rehabilitation agencies, local education agencies, and other agencies, both increasing to increase the client's level of functioning and maintaining to maintain current levels of functioning;

(5) a means of facilitating access of physically handicapped or impaired persons to activities appropriate to their needs; and

(6) administrative activities to coordinate and facilitate the effective use of formal and informal helping systems to best address client needs and goals. This includes assisting the client in making informed decisions about opportunities and services, assuring timely access to needed assistance, providing opportunities and encouragement for self-help activities, and coordinating all services to meet the client's needs and goals. County case management shall be responsible for determining appropriate care and activities.

A county board may delegate to a county welfare board established under chapter 393 authority to provide or approve contracts for the purchase of the kinds of community social services that were provided or contracted for by the county welfare boards before the enactment of Laws 1979, chapter 324. The county board must determine how citizens will participate in the planning process, give final approval to the community social services plan, and distribute community social services money.

#### Sec. 19. [256E.081] [FISCAL LIMITATIONS.]

Subdivision 1. [SERVICE LIMITATION.] If the county has met the requirements in subdivisions 2, 3, and 4, the county shall not be required to provide social services beyond the services required in federal law or state statute or included in the county's amended community social services plan.

Subd. 2. [DEMONSTRATION OF REASONABLE EFFORT.] The county shall make reasonable efforts to comply with all state social services requirements. For the purposes of this section, a county is making reasonable efforts if:

(1) the total amount of money budgeted by the county for social services is equal to or greater than the total amount spent by the county for social services in the prior year, adjusted by any change in state or federal funding used by the county to fund social services in the current or prior year;

(2) the county has spent, obligated, or projects expenditures in

excess of the amount budgeted by the county for at least one social service program or service;

(3) the total social services expenditures for the county are projected to meet or exceed the total amount of money available for social services from all sources of social services funding; and

(4) the county has made efforts to comply with social services requirements within the limits of available funding, including efforts to identify and apply for commonly available state and federal funding for social services programs or services.

Subd. 3. [IDENTIFICATION OF SERVICES TO BE PROVIDED.] If a county has made reasonable efforts, as defined in subdivision 2, to comply with all social services administrative rule requirements and is unable to meet all requirements, the county must provide services according to an amended community social services plan developed by the county and approved by the commissioner under section 256E.09, subdivision 6. The plan must identify for the remainder of the calendar year the social services administrative rule requirements the county shall comply with within its fiscal limitations and the social services administrative rule requirements the county will not comply with due to fiscal limitations. The plan must specify how the county intends to provide services required by federal law or state statute, including but not limited to:

(1) providing services needed to protect children and vulnerable adults from maltreatment, abuse, and neglect;

(2) providing emergency and crisis services needed to protect clients from physical, emotional, or psychological harm;

(3) assessing and documenting the needs of persons applying for services;

(4) providing case management services to developmentally disabled clients, adults with serious and persistent mental illness, and children with severe emotional disturbances;

(5) providing day training and habilitation services for persons with developmental disabilities;

(6) providing subacute detoxification services;

(7) providing public guardianship services; and

(8) fulfilling licensing responsibilities delegated to the county by the commissioner under section 245A.16.

Subd. 4. [DENIAL, REDUCTION, OR TERMINATION OF SERVICES.] (a) Before a county denies, reduces, or terminates services to an individual due to fiscal limitations, the county must meet the requirements in subdivisions 2 and 3, and document in the person's individual service plan:

(1) the person's service needs;

(2) the alternatives considered for meeting the person's service needs; and

(3) the actions that will be taken to prevent abuse or neglect as defined in sections 626.556, subdivision 2, paragraphs (a), (c), (d), and (k); and 626.557, subdivision 2, paragraphs (d) and (e).

(b) The county must notify the individual and the individual's guardian in writing of the reason for the denial, reduction, or termination of services and of the individual's right to an appeal under section 256.045.

(c) The county must inform the individual and the individual's guardian in writing that the county will, upon request, meet to amend the person's individual service plan before services are reduced or terminated.

Sec. 20. Minnesota Statutes 1990, section 256E.09, subdivision 1, is amended to read:

Subdivision 1. [PLAN PROPOSAL.] Beginning in 1989, and every two years after that, the county board shall submit to the commissioner a proposed community social services plan for the next two calendar years. The county board shall publish and make available upon request to all county residents a the proposed biennial community social services plan for the next two calendar years.

Sec. 21. Minnesota Statutes 1990, section 256E.09, subdivision 3, is amended to read:

Subd. 3. [PLAN CONTENT.] The biennial community social services plan published by the county shall include:

(a) A statement of the goals of community social service programs in the county;

(b) Methods used pursuant to subdivision 2 to encourage participation of citizens and providers in the development of the plan and the allocation of money;

(c) Methods used to identify persons in need of service and the social problems to be addressed by the community social service



programs, including efforts the county proposes to make in providing for early intervention, prevention and education aimed at minimizing or eliminating the need for services for groups of persons identified in section 256E.03, subdivision 2;

(d) A statement describing how the county will fulfill its responsibilities identified in section 256E.08, subdivision 1, to the groups of persons described in section 256E.03, subdivision 2, and a description of each community social service proposed and identification of the agency or person proposed to provide the service;

(e) A statement describing how the county proposes to make the following services available for persons identified by the county as in need of services: daytime developmental achievement services for children; day training and habilitation services for adults; extended employment program services for persons with disabilities; supported employment services as defined in section 252.41, subdivision 8; community-based employment programs as defined in section 268A.01, subdivision 11; subacute detoxification services; and residential services and nonresidential social support services as appropriate for the groups identified in section 256E.03, subdivision 2;

(f) A statement specifying how the county will collaboratively plan the development of supported employment services and community-based employment services with local representatives of public rehabilitation agencies and local education agencies, including, if necessary, how existing day or employment services could be modified to provide supported employment services and community-based employment services;

(g) A statement describing how the county is fulfilling its responsibility to establish a comprehensive and coordinated system of early intervention services as required under section 120.17, subdivisions 11a, 12, and 14;

(h) The amount of money proposed to be allocated to each service;

(i) An inventory of public and private resources including associations of volunteers which are available to the county for social services;

(j) Evidence that serious consideration was given to the purchase of services from private and public agencies; and

(k) Methods whereby community social service programs will be monitored and evaluated by the county.

(1) a description of the planning process, including methods used to assess needs and obtain citizen input;

(2) county outcome goals and specific objectives for each program area;

(3) a description of resources allocated within the county to support each program and service;

(4) a description of the services to be provided;

(5) an analysis of the adequacy of resources available to support the community social services plan including estimates of unmet need;

(6) a description of how the service system will be coordinated within each program area; and

(7) a statement signed by the county board or its designee that the county is in compliance with specified Minnesota Statutes.

Sec. 22. Minnesota Statutes 1990, section 256E.09, subdivision 6, is amended to read:

Subd. 6. [PLAN AMENDMENT.] After providing opportunity for public comment, the county may amend its plan. After approval of the amendment by the county board, the county shall submit to the commissioner its amendment to the commissioner and a statement signed by the county board or its designee that the county is in compliance with specified Minnesota Statutes. The commissioner shall certify whether the amendment fulfills the purpose and requirements of law and the rules of the state agency consider the effect of the proposed amendment on residential placements when certifying the amendment according to section 256E.05, subdivision 2.

Sec. 23. [INSTRUCTION TO REVISOR.]

In the 1991 supplement to Minnesota Statutes, the revisor of statutes shall substitute references to "local mental health service proposals," "local adult mental health proposal," or "local children's mental health proposal," or similar terms or phrases which appear in Minnesota Statutes, chapter 245, with "adult mental health component of the community social services plan" or "children's mental health component of the community social services plan," or similar terms, as appropriate. The revisor shall consult with staff from the department of human services in determining the appropriate substitutions.

Sec. 24. [REPEALER.]

Minnesota Statutes 1990, sections 245.462, subdivision 15;

245.4871, subdivision 23; 256B.092, subdivisions 1c and 1d; and 256E.09, subdivisions 4 and 5, are repealed.

Sec. 25. [EFFECTIVE DATE.]

Sections 4, 9, and 21 are effective January 1, 1993."

Delete the title and insert:

"A bill for an act relating to human services; consolidating and simplifying county mental health and community social services planning; authorizing the review and reduction of social service administrative requirements; establishing a process for limiting social services due to county fiscal limitations; amending Minnesota Statutes 1990, sections 245.465; 245.466, subdivision 5; 245.478, subdivisions 1, 2, and 6; 245.4874; 245.4875, subdivision 5; 245.4887, subdivisions 1, 2, and 6; 256.045, subdivision 3; 256E.04, subdivision 1; 256E.05, subdivisions 2, 3, 5, and by adding subdivisions; 256E.08, subdivision 1; 256E.09, subdivisions 1, 3, and 6; proposing coding for new law in Minnesota Statutes, chapter 256E; repealing Minnesota Statutes 1990, sections 245.462, subdivision 15; 245.4871, subdivision 23; 256B.092, subdivisions 1c and 1d; and 256E.09, subdivisions 4 and 5."

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 929, A bill for an act relating to agriculture; extending the ban on the use of biosynthetic bovine somatotropin by one year; amending Minnesota Statutes 1990, sections 151.01, subdivision 28; 151.15, subdivision 3; and 151.25; and Laws 1990, chapter 526, section 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 151.01, subdivision 28, is amended to read:

Subd. 28. [VETERINARY LEGEND DRUG.] "Veterinary legend drug" means biosynthetic bovine somatotropin (BST) until June 12, ~~1991~~ 1992, or a drug that is required by federal law to bear the

following statement: "Caution: Federal law restricts this drug to use by or on the order of a licensed veterinarian."

Sec. 2. Minnesota Statutes 1990, section 151.15, subdivision 3, is amended to read:

Subd. 3. [UNLICENSED PERSONS; VETERINARY LEGEND DRUGS.] It shall be unlawful for any person other than a licensed veterinarian or pharmacist to compound or dispense veterinary legend drugs except as provided in this chapter. Until June 12, ~~1991~~ 1992, a veterinarian or veterinarian's assistant may use biosynthetic bovine somatotropin (BST) for medical or research purposes only. Biosynthetic bovine somatotropin (BST) may not be dispensed to, used by, or administered by a person who is not a licensed veterinarian or a veterinarian's assistant under the veterinarian's supervision.

Sec. 3. Minnesota Statutes 1990, section 151.25, is amended to read:

151.25 [REGISTRATION OF MANUFACTURERS; FEE; PROHIBITIONS.]

The board shall require and provide for the annual registration of every person engaged in manufacturing drugs, medicines, chemicals, or poisons for medicinal purposes, now or hereafter doing business with accounts in this state. Upon a payment of a fee as set by the board, the board shall issue a registration certificate in such form as it may prescribe to such manufacturer. Such registration certificate shall be displayed in a conspicuous place in such manufacturer's or wholesaler's place of business for which it is issued and expire on the date set by the board. It shall be unlawful for any person to manufacture drugs, medicines, chemicals, or poisons for medicinal purposes unless such a certificate has been issued to the person by the board. It shall be unlawful for any person engaged in the manufacture of drugs, medicines, chemicals, or poisons for medicinal purposes, or the person's agent, to sell legend drugs or biosynthetic bovine somatotropin (BST) until June 12, ~~1991~~ 1992, to other than a pharmacy, except as provided in this chapter.

Sec. 4. Laws 1990, chapter 526, section 1, is amended to read:

Section 1. [PURPOSE.]

The legislature finds that biosynthetic bovine somatotropin has not been fully researched to provide conclusive evidence about animal health effects. In the public interest, the legislature intends biosynthetic bovine somatotropin to be closely regulated and administered only in research or necessary medical circumstances ~~for one~~

year after the effective date of sections 2 and 4 of this act until June 12, 1992.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective 30 days after the commissioner of agriculture publishes notice in the State Register that (a) the states of Minnesota and Wisconsin, or (b) states having 40 percent or more of milk production as determined by the United States Department of Agriculture statistics for the most recent available calendar year, including Minnesota, have adopted provisions that restrict general use of biosynthetic bovine somatotropin (BST) and remain in effect only so long as restrictions are effective in the state of Wisconsin or in states having 40 percent or more of milk production, including Minnesota. On the date that restrictions on the general use of biosynthetic bovine somatotropin are no longer in effect in the state of Wisconsin and in states having 40 percent or more of milk production, including Minnesota, sections 1 to 4 have no effect and biosynthetic bovine somatotropin may be sold for general use."

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 984, A bill for an act relating to agriculture; authorizing reimbursement to school districts for purchase of Minnesota commodities for school lunches; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 17.

Reported the same back with the following amendments:

Page 1, line 14, delete "bearing" and insert "licensed to bear"

Page 1, line 16, delete "July 1" and insert "October 1"

Page 1, line 19, delete "and the total"

Page 1, delete line 20

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

The report was adopted.

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

H. F. No. 989, A bill for an act relating to economic development; changing the name of the Greater Minnesota Corporation; adding duties; providing for a new structure for the board of directors; amending Minnesota Statutes 1990, sections 116O.03, subdivision 2; 116O.04, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 116O; repealing Minnesota Statutes 1990, sections 116J.970; 116J.971; and 116O.03, subdivision 2a.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [NAME CHANGE.]

The Greater Minnesota Corporation is renamed the Minnesota Technology Development Corporation.

Sec. 2. Minnesota Statutes 1990, section 116O.03, subdivision 2, is amended to read:

Subd. 2. [BOARD OF DIRECTORS.] The corporation is governed by a board of ~~11~~ 20 directors. The term of a director is ~~six~~ four years and as provided in section 15.0575, subdivision 2. Vacancies on the board are filled by appointment of the board, subject to the advice and consent of the senate. Board members may receive reasonable compensation and be reimbursed for reasonable expenses, which must be reviewed each year by the commissioner of finance. Membership of the board shall consist of the following:

(1) a person from the private sector who shall act as chair appointed by the governor;

(2) the dean of the graduate school of the University of Minnesota or designee;

(3) the dean of the institute of technology of the University of Minnesota or designee;

(4) the commissioner of the department of trade and economic development or designee;

(5) six members appointed by the governor;

(6) one member who is not a member of the legislature appointed by each of the following: the speaker of the house, the house

minority leader, the senate majority leader, and the senate minority leader; and

(7) three members of the senate appointed by the majority leader of the senate of whom no more than two can be of the majority, and three members of the house of representatives appointed by the speaker of the house of whom no more than two can be of the majority, shall serve on the board as nonvoting advisory members.

Fifty percent of the members described in clauses (5), (6), and (7) must live outside the metropolitan area as defined in section 473.121, subdivision 2, and must have experience in manufacturing, the technology industry, or research and development. The governor shall appoint a director to serve as chair of the board of directors.

Sec. 3. Minnesota Statutes 1990, section 116O.04, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] The board shall appoint and set the compensation for a president, who serves as chief executive officer of the corporation, and who may appoint subordinate officers. The president's salary may not exceed 95 percent of the governor's salary. The board may designate the president as its general agent. Subject to the control of the board, the president shall employ employees, consultants, and agents the president considers necessary. The president shall serve as the chief science advisor to the governor and the legislature. The staff of the corporation must include individuals knowledgeable in commercial and industrial financing, research and development, economic development, and general fiscal affairs. The board shall define the duties and designate the titles of the employees and agents.

Sec. 4. Minnesota Statutes 1990, section 116O.04, subdivision 2, is amended to read:

Subd. 2. [STATUS OF EMPLOYEES.] Employees, officers, and directors of the corporation and programs governed by this chapter are not state employees, but are covered by section 3.736 and, at the option of the board, may participate in the state retirement plan and the state deferred compensation plan for employees in the unclassified service and an insurance plan administered by the commissioner of employee relations.

Sec. 5. [116O.051] [TECHNOLOGY INITIATIVES.]

The corporation shall consult with the commissioner of trade and economic development and recommend coordination and funding for all technology initiatives currently administered by the department of trade and economic development. Appropriations for any of these programs must be made to the corporation.

## Sec. 6. [REPORT TO GOVERNOR AND THE LEGISLATURE.]

The Minnesota Technology Development Corporation shall report to the governor and the appropriate committees of the legislature its recommendations for a state science and technology policy by January 1, 1992.

## Sec. 7. [DISSOLUTION OF GREATER MINNESOTA BOARD OF DIRECTORS; REAPPOINTMENT OF DIRECTORS.]

The board of directors of the Greater Minnesota Corporation is dissolved. It is succeeded by the board of directors established in section 2. The successor board must have at least four members who currently serve as directors of the Greater Minnesota Corporation.

## Sec. 8. [REVISOR INSTRUCTION.]

In the next edition of Minnesota Statutes and Minnesota Rules, the revisor of statutes shall change the words "Greater Minnesota Corporation" or similar words to "Minnesota Technology Development Corporation" or similar words.

## Sec. 9. [REPEALER.]

Minnesota Statutes 1990, sections 116J.970; 116J.971; and 116O.03, subdivision 2a, are repealed."

Delete the title and insert:

"A bill for an act relating to economic development; changing the name of the Greater Minnesota Corporation; adding duties; providing for a new structure for the board of directors; amending Minnesota Statutes 1990, sections 116O.03, subdivision 2; and 116O.04, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 116O; repealing Minnesota Statutes 1990, sections 116J.970; 116J.971; and 116O.03, subdivision 2a."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 994, A bill for an act relating to state lands; authorizing sale of tax-forfeited lands and an easement in St. Louis county.



Reported the same back with the following amendments:

Page 9, line 3, delete "Government Lot 1; and"

Page 9, after line 16 insert:

"Sec. 12. [PRIVATE SALE OF TAX-FORFEITED LAND; BOIS FORTE TRIBE.]

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, St. Louis county may convey by private sale the tax-forfeited parcel described in paragraph (c) under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The land described in paragraph (c) may be sold by private sale to the Bois Forte Tribe. The conveyance must be in a form approved by the attorney general.

(c) The parcel that may be conveyed is located in St. Louis county and is described as Government Lot 1 in Section 27, Township 62 North, Range 16 West.

(d) The Bois Forte Tribe has plans to use this parcel for economic development and the county finds this use appropriate."

Page 9, line 17, delete "12" and insert "13"

Page 10, after line 4, insert:

"Sec. 14. [SUBJECT TO ZONING REGULATIONS.]

Lands that may be conveyed pursuant to sections 1 to 13 must continue to be subject, as a condition of the conveyance, to St. Louis county zoning and land use management ordinances and regulations."

Page 10, line 5, delete "13" and insert "15"

Page 10, line 6, delete "12" and insert "14"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1066, A bill for an act relating to health; modifying the definition of and requirements related to review organizations; amending Minnesota Statutes 1990, sections 145.61, subdivisions 4a, 5, and by adding a subdivision; 145.63, subdivision 1; and 145.64.

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1070, A bill for an act relating to agricultural finance; changing certain provisions of the rural finance authority's beginning farmer program; amending Minnesota Statutes 1990, sections 41B.03, subdivision 3; 41B.036; and 41B.039, subdivision 2.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1990, section 41.55, is amended to read:

41.55 [ELIGIBILITY.]

A family farm security loan approval may be granted if the following criteria are satisfied:

(a) that the applicant is a resident of the state of Minnesota;

(b) that the applicant has sufficient education, training, or experience in the type of farming for which the loan is desired and ~~continued~~ participation in a farm management program, approved by the commissioner, ~~for at least the first ten years of the family farm security loan;~~

(c) that the applicant and the applicant's dependents and spouse have total net worth valued at less than \$75,000 and have demonstrated a need for the loan;

(d) that the applicant intends to purchase farm land to be used by the applicant for agricultural purposes;

(e) that the applicant is credit worthy according to standards prescribed by the commissioner.

Sec. 2. Minnesota Statutes 1990, section 41.57, subdivision 3, is amended to read:

Subd. 3. ~~[ANNUAL REVIEW OF NET WORTH.]~~ (a) The participant and the participant's dependents and spouse shall annually submit to the commissioner a statement of their net worth. If their net worth in any year exceeds the sum of \$135,000, the participant shall be ineligible for a payment adjustment in that year.

(b) The participant shall annually submit to the commissioner evidence of participation in an approved farm management program for at least the first ten years of the family farm security loan. The commissioner may waive this requirement if the participant requests a waiver and provides justification."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "sections" insert "41.55; 41.57, subdivision 3;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1071, A bill for an act relating to conservation; defining old growth forest stand; adding old growth forest stands to those that may be placed in the conservation reserve program; amending Minnesota Statutes 1990, sections 103F.511, by adding a subdivision; and 103F.515, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 84.96, subdivision 1, is amended to read:

Subdivision 1. ~~[ESTABLISHMENT.]~~ The commissioner shall establish a native prairie and old growth forest bank, determine where native prairie and old growth forest land is located in the state, and

prescribe eligibility requirements for inclusion of land in the native prairie and old growth forest bank.

Sec. 2. Minnesota Statutes 1990, section 84.96, subdivision 2, is amended to read:

Subd. 2. [DEFINITION.] For the purposes of this section:

(1) "native prairie" means land that has never been plowed, with less than ten percent tree cover and with predominantly native prairie vegetation; and

(2) "old growth forest" means an area of large, old trees of long-lived species that meet criteria in the department of natural resources old growth guidelines.

Sec. 3. Minnesota Statutes 1990, section 84.96, subdivision 3, is amended to read:

Subd. 3. [EASEMENT ACQUISITION.] (a) The commissioner may acquire native prairie and old growth forests for conservation purposes by entering into easements with landowners. The easements must be conservation easements as defined in section 84C.01, clause (1), except the easements may be made possessory as well as nonpossessory if agreed upon by the landowner and the commissioner.

(b) The easements may be permanent or of limited duration. Highest priority must be given to permanent easements consistent with the purposes of this section. Easements of limited duration must be for at least 20 years, with provision for renewal for at least another 20-year period. For easements of limited duration, the commissioner may reexamine and adjust the payment rates at the beginning of any renewal period after considering current land and crop values.

Sec. 4. Minnesota Statutes 1990, section 84.96, subdivision 4, is amended to read:

Subd. 4. [EASEMENT AGREEMENT.] (a) In the easement between the commissioner and an owner, the owner must agree:

(1) to place in the program for the period of the easement eligible native prairie areas and old growth forests designated by the owner, including prairie and old growth forests covered by a federal or state easement that allows agricultural use and desirable land adjacent to the prairie or old growth forest as determined by the commissioner;

(2) not to alter the native prairie by plowing, heavy grazing, seeding to nonnative grasses or legumes, spraying with large

amounts of herbicides, or otherwise destroying the native prairie character of the easement area, except mowing the native prairie tract for wild hay may qualify for easement as determined by the commissioner;

(3) not to alter the old growth forest by harvest, grazing, or otherwise destroying the old growth forest character of the easement area;

(4) to implement the native prairie or old growth forest conservation and development plan as provided in the easement agreement, unless a requirement in the easement agreement is waived or modified by the commissioner;

(4) (5) to forfeit all rights to further payments under the terms of the easement and to refund to the state all payments received under the easement if the easement is violated at any time when the owner has control of the land subject to the easement, if the commissioner determines that the violation warrants termination of the easement, or if the commissioner determines that the violation does not warrant termination of the easement, the commissioner may determine refunds or payment adjustments to be paid by the commissioner;

(5) (6) not to adopt a practice specified by the commissioner in the easement as a practice that would tend to defeat the purposes of the easement; and

(6) (7) to additional provisions included in the easement that the commissioner determines are desirable.

(b) In return for the easement of the owner, the commissioner shall make payments as provided in subdivision 5 or 6 and may provide advice on conservation and development practices on the native prairie or old growth forest in the easement and adjacent areas.

Sec. 5. Minnesota Statutes 1990, section 84.96, subdivision 5, is amended to read:

Subd. 5. [PAYMENTS; NATIVE PRAIRIE.] (a) The commissioner must make payments to the landowner under this subdivision for the a native prairie easement.

(b) For a permanent easement, the commissioner must pay 50 percent of the average equalized estimated market value of cropland in the township as established by the commissioner of revenue for the time period when the application is made.

(c) For an easement of limited duration, the landowner shall receive a lump sum payment equal to the present value of the

annual payments for the term of the easement based on 50 percent of the mean adjusted cash rental for cropland in the county as established by the commissioner of revenue for the time period when the application is made.

(d) To maintain and protect native prairies, the commissioner may enter into easements that allow selected agricultural practices. Payment must be based on paragraph (b) or (c) but may be reduced due to the agricultural practices allowed after negotiation with the landowner.

Sec. 6. Minnesota Statutes 1990, section 84.96, is amended by adding a subdivision to read:

Subd. 5a. [PAYMENTS; OLD GROWTH FORESTS.] (a) The commissioner must make payments to the landowner under this subdivision for an old growth forest easement.

(b) For a permanent easement, the commissioner must pay 70 percent of the appraised timber or land values as determined by the commissioner.

(c) For an easement of limited duration, the commissioner must pay 65 percent of the permanent easement rate for the time period when the application was made.

Sec. 7. Minnesota Statutes 1990, section 84.96, subdivision 8, is amended to read:

Subd. 8. [MODIFICATION AND TERMINATION BY AGREEMENT.] The commissioner may terminate an easement by mutual agreement with the owner if the commissioner determines that the termination would be in the public interest. The commissioner may agree to modifications of agreements if the commissioner determines the modification is desirable to implement the native prairie or old growth forest program."

Delete the title and insert:

"A bill for an act relating to conservation; defining old growth forest; adding old growth forests to the native prairie bank program; amending Minnesota Statutes 1990, section 84.96, subdivisions 1, 2, 3, 4, 5, 8, and by adding a subdivision."

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

The report was adopted.

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

H. F. No. 1127, A bill for an act relating to utilities; prohibiting multiparty line telephone service to more than two subscribers per line; proposing coding for new law in Minnesota Statutes, chapter 237.

Reported the same back with the following amendments:

Page 1, line 8, delete "January 1, 1992" and insert "October 31, 1993"

Page 1, line 10, before the period insert ", unless otherwise approved by the commission"

Page 1, delete lines 13 to 20, and insert:

"As soon as practicable, each telephone company that provides four-party telephone service in this state shall file a plan with the public utilities commission for the purpose of elimination of that service by October 31, 1993. By January 1, 1992 and by January 1, 1993, the commission shall report to the legislature on progress made on elimination of four-party service in the state. If the commission approves provision of four-party service beyond October 31, 1993, each report must include an explanation of that approval and a specific schedule for elimination of the service within the shortest feasible time after that date. The cost of converting from four-party service must be recovered through the rates for all of the company's customers proportionally according to the rate structure of the company."

With the recommendation that when so amended the bill pass.

The report was adopted.

Murphy from the Committee on Energy to which was referred:

H. F. No. 1153, A bill for an act relating to taxation; excise and sales taxes; establishing an alternative method for determining the annual permit fee for vehicles propelled in part by compressed natural gas or propane; amending Minnesota Statutes 1990, section 296.026, subdivisions 1, 2, and by adding subdivisions.

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1154, A bill for an act relating to agriculture; making changes in the plant and animal pest control act; amending Minnesota Statutes 1990, sections 18.46, subdivisions 6, 9, and by adding a subdivision; 18.49, subdivision 2; 18.51; 18.52, subdivisions 1 and 5; 18.54, subdivision 2; 18.55; 18.56; 18.57; and 18.60.

Reported the same back with the following amendments:

Page 3, delete section 7, and insert:

"Sec. 7. Minnesota Statutes 1990, section 18.52, subdivision 5, is amended to read:

Subd. 5. [FEES; PENALTY.] A nursery stock dealer shall pay an annual fee based on the dealer's gross sales during the preceding certificate year. A nursery stock dealer operating for the first year will pay the minimum fee.

Dealers:

(1) Gross sales up to <u>\$1,000</u> <u>\$5,000</u>	at a location <u>\$40</u> <u>\$70 per location</u>
(2) Gross sales over <u>\$1,000</u> and up to <u>\$5,000</u>	at a location <u>\$50</u> per location
(3) Gross sales over <u>\$5,000</u> up to <u>\$10,000</u>	at a location <u>\$85</u> <u>\$100 per location</u>
(4) (3) Gross sales over <u>\$10,000</u> up to <u>\$25,000</u>	at a location <u>\$125</u> <u>\$200 per location</u>
(5) (4) Gross sales over <u>\$25,000</u> up to <u>\$75,000</u>	at a location <u>\$175</u> <u>\$300 per location</u>
(6) (5) Gross sales over <u>\$75,000</u> up to <u>\$100,000</u>	at a location <u>\$260</u> <u>\$400 per location</u>
(7) (6) Gross sales over <u>\$100,000</u> up to <u>\$250,000</u>	at a location <u>\$400</u> <u>\$500 per location</u>
(7) <u>Gross sales over \$250,000</u>	at a location <u>\$600</u> per location

In addition to the above fees, a minimum penalty of \$10 or 25 percent of the fee due, whichever is greater, shall be charged for any application for renewal not received by January 1 of the year following expiration of a certificate."



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

The report was adopted.

Murphy from the Committee on Energy to which was referred:

H. F. No. 1185, A bill for an act relating to energy; providing incentives for renewable energy sources of utility power; amending Minnesota Statutes 1990, sections 216B.03; 216B.164, subdivision 3; and 272.02, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 216B.164, subdivision 4, is amended to read:

Subd. 4. [PURCHASES; WHEELING.] (a) Except as otherwise provided in paragraph (c), this subdivision shall apply to all qualifying facilities having 40 kilowatt capacity or more as well as qualifying facilities as defined in subdivision 3 which elect to be governed by its provisions.

(b) The utility to which the qualifying facility is interconnected shall purchase all energy and capacity made available by the qualifying facility. The qualifying facility shall be paid the utility's full avoided capacity and energy costs as negotiated by the parties or set by the commission including the value of environmental costs avoided by the qualifying facility and those social costs considered appropriate by the commission. To the extent possible, the commission shall quantify and value all environmental and social costs associated with each method of electricity generation.

(c) For all qualifying facilities having 30 kilowatt capacity or more, the utility shall, at the qualifying facility's or the utility's request, provide wheeling or exchange agreements wherever practicable to sell the qualifying facility's output to any other Minnesota utility having generation expansion anticipated or planned for the ensuing ten years. The commission shall establish the methods and procedures to insure that except for reasonable wheeling charges and line losses, the qualifying facility receives the full avoided energy and capacity costs of the utility ultimately receiving the output.

(d) The commission shall set rates for electricity generated by renewable energy using the concept of long-term levelized forecasts for the marginal cost of energy.

Sec. 2. Minnesota Statutes 1990, section 272.02, subdivision 1, is amended to read:

Subdivision 1. All property described in this section to the extent herein limited shall be exempt from taxation:

- (1) all public burying grounds;
- (2) all public schoolhouses;
- (3) all public hospitals;
- (4) all academies, colleges, and universities, and all seminaries of learning;
- (5) all churches, church property, and houses of worship;
- (6) institutions of purely public charity except parcels of property containing structures and the structures described in section 273.13, subdivision 25, paragraph (c), clauses (1), (2), and (3), or paragraph (d);
- (7) all public property exclusively used for any public purpose;
- (8) except for the taxable personal property enumerated below, all personal property and the property described in section 272.03, subdivision 1, paragraphs (c) and (d), shall be exempt.

The following personal property shall be taxable:

- (a) personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, crude oil, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures;
- (b) railroad docks and wharves which are part of the operating property of a railroad company as defined in section 270.80;
- (c) personal property defined in section 272.03, subdivision 2, clause (3);
- (d) leasehold or other personal property interests which are taxed pursuant to section 272.01, subdivision 2; 273.124, subdivision 7; or 273.19, subdivision 1; or any other law providing the property is taxable as if the lessee or user were the fee owner;
- (e) manufactured homes and sectional structures; and

(f) flight property as defined in section 270.071.

(9) Personal property used primarily for the abatement and control of air, water, or land pollution to the extent that it is so used, and real property which is used primarily for abatement and control of air, water, or land pollution as part of an agricultural operation or as part of an electric generation system. For purposes of this clause, personal property includes ponderous machinery and equipment used in a business or production activity that at common law is considered real property.

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an application with the commissioner of revenue. The equipment or device shall meet standards, rules, or criteria prescribed by the Minnesota pollution control agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota pollution control agency shall upon request of the commissioner furnish information or advice to the commissioner. On determining that property qualifies for exemption, the commissioner shall issue an order exempting the property from taxation. The equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota pollution control agency remains in effect.

(10) Wetlands. For purposes of this subdivision, "wetlands" means (1) land described in section 103G.005, subdivision 18, or (2) land which is mostly under water, produces little if any income, and has no use except for wildlife or water conservation purposes, provided it is preserved in its natural condition and drainage of it would be legal, feasible, and economically practical for the production of livestock, dairy animals, poultry, fruit, vegetables, forage and grains, except wild rice. "Wetlands" shall include adjacent land which is not suitable for agricultural purposes due to the presence of the wetlands. "Wetlands" shall not include woody swamps containing shrubs or trees, wet meadows, meandered water, streams, rivers, and floodplains or river bottoms. Exemption of wetlands from taxation pursuant to this section shall not grant the public any additional or greater right of access to the wetlands or diminish any right of ownership to the wetlands.

(11) Native prairie. The commissioner of the department of natural resources shall determine lands in the state which are native prairie and shall notify the county assessor of each county in which the lands are located. Pasture land used for livestock grazing purposes shall not be considered native prairie for the purposes of this clause. Upon receipt of an application for the exemption provided in this clause for lands for which the assessor has no determination from the commissioner of natural resources, the assessor shall refer the application to the commissioner of natural

resources who shall determine within 30 days whether the land is native prairie and notify the county assessor of the decision. Exemption of native prairie pursuant to this clause shall not grant the public any additional or greater right of access to the native prairie or diminish any right of ownership to it.

(12) Property used in a continuous program to provide emergency shelter for victims of domestic abuse, provided the organization that owns and sponsors the shelter is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1986, notwithstanding the fact that the sponsoring organization receives funding under section 8 of the United States Housing Act of 1937, as amended.

(13) If approved by the governing body of the municipality in which the property is located, property not exceeding one acre which is owned and operated by any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation, and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders; provided the property is used primarily as a clubhouse, meeting facility, or recreational facility by the group or association and the property is not used for residential purposes on either a temporary or permanent basis.

(14) To the extent provided by section 295.44, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power on a site owned by the state or a local governmental unit which is developed and operated pursuant to the provisions of section 103G.535.

(15) If approved by the governing body of the municipality in which the property is located, and if construction is commenced after June 30, 1983:

(a) a "direct satellite broadcasting facility" operated by a corporation licensed by the federal communications commission to provide direct satellite broadcasting services using direct broadcast satellites operating in the 12-ghz. band; and

(b) a "fixed satellite regional or national program service facility" operated by a corporation licensed by the federal communications commission to provide fixed satellite-transmitted regularly scheduled broadcasting services using satellites operating in the 6-ghz. band.

An exemption provided by clause (15) shall apply for a period not to exceed five years. When the facility no longer qualifies for exemption, it shall be placed on the assessment rolls as provided in subdivision 4. Before approving a tax exemption pursuant to this

paragraph, the governing body of the municipality shall provide an opportunity to the members of the county board of commissioners of the county in which the facility is proposed to be located and the members of the school board of the school district in which the facility is proposed to be located to meet with the governing body. The governing body shall present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption shall not be approved by the governing body until the county board of commissioners has presented its written comment on the proposal to the governing body or 30 days has passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.

(16) Real and personal property owned and operated by a private, nonprofit corporation exempt from federal income taxation pursuant to United States Code, title 26, section 501(c)(3), primarily used in the generation and distribution of hot water for heating buildings and structures.

(17) Notwithstanding section 273.19, state lands that are leased from the department of natural resources under section 92.46.

(18) Electric power distribution lines and their attachments and appurtenances, that are used primarily for supplying electricity to farmers at retail.

(19) Transitional housing facilities. "Transitional housing facility" means a facility that meets the following requirements. (i) It provides temporary housing to parents and children who are receiving AFDC or parents of children who are temporarily in foster care. (ii) It has the purpose of reuniting families and enabling parents to obtain self-sufficiency, advance their education, get job training, or become employed in jobs that provide a living wage. (iii) It provides support services such as child care, work readiness training, and career development counseling; and a self-sufficiency program with periodic monitoring of each resident's progress in completing the program's goals. (iv) It provides services to a resident of the facility for at least six months but no longer than three years, except residents enrolled in an educational or vocational institution or job training program. These residents may receive services during the time they are enrolled but in no event longer than four years. (v) It is sponsored by an organization that has received a grant under either section 256.7365 for the biennium ending June 30, 1989, or section 462A.07, subdivision 15, for the biennium ending June 30, 1991, for the purposes of providing the services in items (i) to (iv). (vi) It is sponsored by an organization that is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1987. This exemption applies notwithstanding the fact that the sponsoring organization receives financing by a direct federal loan or federally insured loan or a loan made by the Minnesota housing finance agency under the

provisions of either Title II of the National Housing Act or the Minnesota housing finance agency law of 1971 or rules promulgated by the agency pursuant to it, and notwithstanding the fact that the sponsoring organization receives funding under Section 8 of the United States Housing Act of 1937, as amended.

(20) Wind energy conversion systems, as defined in section 216C.06, subdivision 12, installed after January 1, 1991, and used as an electric power source.

Sec. 3. [EFFECTIVE DATE.]

Section 2 is effective for taxes payable in 1992 and afterward."

Amend the title as follows:

Page 1, line 4, delete "216B.03;"

Page 1, line 5, delete "3" and insert "4"

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

The report was adopted.

Beginch from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1222, A bill for an act relating to public safety; modifying exceptions to the requirement of inspection of boilers and pressure vessels; amending Minnesota Statutes 1990, section 183.56.

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1299, A bill for an act relating to agriculture; abolishing refund of checkoff fee paid by paddy wild rice producers; amending Minnesota Statutes 1990, section 17.63.

Reported the same back with the following amendments:

Page 2, after line 1, insert:

“Sec. 2. Minnesota Statutes 1990, section 21.1196, subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] (a) “Restricted seed potato growing area” means Kittson county except Teien township.

(b) “Historic certified seed potato area” means the portion of Marshall county included in the towns of Augsburg and Nelson Park that are north of Marshall county highway No. 5.”

Amend the title as follows:

Page 1, line 3, after the semicolon insert “changing the definition of restricted seed potato growing area;”

Page 1, line 4, delete “section” and insert “sections” and before the period insert “; and 21.1196, subdivision 1”

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1340, A bill for an act relating to agriculture; changing the egg law; imposing a penalty; amending Minnesota Statutes 1990, sections 29.21, by adding subdivisions; 29.22; 29.23; 29.235; 29.26; and 29.27; proposing coding for new law in Minnesota Statutes, chapter 29.

Reported the same back with the following amendments:

Page 5, line 17, after the period insert “Equipment in use before the effective date of this chapter that does not meet the design and fabrication requirements of this chapter may remain in use until July 31, 1992, if it is in good repair, capable of being maintained in a sanitary condition, and capable of maintaining a temperature of 50 degrees Fahrenheit (10 degrees celsius) or less.”

Page 5, line 19, delete “45” and insert “50”

Page 5, line 20, delete “7” and insert “10”

Page 5, line 25, delete "40" and insert "45"

Page 5, line 26, delete "4" and insert "7" and after the period insert "After August 1, 1992, eggs offered for retail sale must be held at a temperature not to exceed 40 degrees Fahrenheit (4 degrees celsius)."

Page 5, line 28, delete "an egg production house to or"

Page 5, line 29, delete "between"

Page 5, line 31, delete "45" and insert "50" and delete "7" and insert "10"

Page 6, delete line 12

Page 6, line 13, delete "manufactured food" and insert "Pasteurized eggs must be used in uncooked or undercooked food" and delete "the" and before "must" insert "containing unpasteurized eggs"

Page 6, delete lines 32 to 36

Page 7, delete lines 1 to 15

Renumber the sections in sequence

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1371, A bill for an act relating to agriculture; extending the right of first refusal on foreclosed farm land to ten years; amending Minnesota Statutes 1990, section 500.24, subdivision 6.

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

The report was adopted.

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

H. F. No. 1422, A bill for an act relating to workers' compensation; regulating benefits and insurance; establishing a permanent com-



mission on workers' compensation; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 79.252, by adding a subdivision; 176.011, subdivisions 3, 11a, and 18; 176.101, subdivisions 1, 2, and 3f; 176.102, subdivisions 1, 2, 3, 3a, 4, 6, 9, and 11; 176.111, subdivision 18; 176.135, subdivisions 1, 6, and 7; 176.136, subdivisions 1, 2, and by adding subdivisions; 176.645, subdivisions 1 and 2; 176.83, subdivisions 5, 6, and by adding a subdivision; 176A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 175 and 176; repealing Minnesota Statutes 1990, sections 175.007; and 176.136, subdivision 5.

Reported the same back with the following amendments:

Page 31, line 34, after the comma insert "the" and delete "members"

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

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1527, A bill for an act relating to self-insurance; regulating custodial accounts; amending Minnesota Statutes 1990, sections 79A.02, subdivision 2, and by adding a subdivision; 79A.03, subdivisions 3, 7, and 9; 79A.04, subdivision 2; and 79A.06, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 79A; repealing Minnesota Rules, part 2780.0400, subparts 2, 3, 6, and 7.

Reported the same back with the following amendments:

Pages 1 and 2, delete sections 1 and 2

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

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

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

S. F. No. 205, A bill for an act relating to insurance; modifying the allowable delinquency and related charges in premium finance agreements; amending Minnesota Statutes 1990, section 59A.10.

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

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

S. F. No. 550, A bill for an act relating to health; employee drug testing; clarifying requirements for labs that test employees for drugs; amending Minnesota Statutes 1990, sections 181.950, subdivisions 2, 5, 8, and 10; 181.951, subdivision 1; 181.953, subdivisions 1, 3, 5, and 9; and 626.5562, subdivision 5; repealing Minnesota Statutes 1990, sections 181.950, subdivision 3; and 181.953, subdivision 2; Minnesota Rules, parts 4740.0100 to 4740.1090.

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

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 408, 528, 577, 594, 772, 807, 825, 826, 929, 989, 994, 1066, 1070, 1127, 1222, 1299 and 1371 were read for the second time.

## **SECOND READING OF SENATE BILLS**

S. F. Nos. 252, 254, 713, 729, 734, 205 and 550 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Wenzel introduced:

H. F. No. 1579, A bill for an act relating to utilities; requiring utility to file with its tariff a plan for extended residential electric service to allow ten-year period for a residential customer to pay the excess costs attributed to the extension; amending Minnesota Statutes 216B.42, by adding a subdivision.

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

Anderson, R. H.; McEachern; Rodosovich; Kalis and Vanasek introduced:

H. F. No. 1580, A bill for an act relating to higher education; authorizing a study of alternative uses for the Waseca campus of the University of Minnesota; authorizing alternative governance for the Waseca campus; authorizing transfer of certain Waseca campus property; appropriating money.

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

Anderson, I., introduced:

H. F. No. 1581, A bill for an act relating to economic development; requiring the commissioner of trade and economic development to designate Koochiching county as an enterprise zone.

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

Milbert, Ogren, Hanson and Scheid introduced:

H. F. No. 1582, A bill for an act relating to taxation; replacing the property tax refund to homeowners with Minnesota proposition 2-1/2 percent; limiting certain property taxes for homeowners to 2-1/2 percent of household income; requiring counties to separately state the amount of voter approved referendum levies on the property tax statement; amending Minnesota Statutes 1990, sections 275.07, subdivision 1; 276.04, subdivision 2; 290A.01; 290A.03,

subdivisions 6 and 13; and 290A.04, subdivisions 1 and 2; repealing Minnesota Statutes 1990, section 290A.04, subdivision 2b.

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

Runbeck, Frederick, Koppendrayer, Newinski and Waltman introduced:

H. F. No. 1583, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 4, limiting the term of consecutive service of senators and representatives to 12 consecutive years.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Lourey, O'Connor, Reding, Knickerbocker and Jefferson introduced:

H. F. No. 1584, A bill for an act relating to retirement; the Minnesota state retirement system; the public employees retirement association; the Minneapolis teachers retirement fund association; the Minneapolis employees retirement fund; making various changes reflecting benefits, administration, and investment practices; amending Minnesota Statutes 1990, sections 11A.24, subdivision 1; 352.01, subdivisions 2b, 11, 13, and by adding a subdivision; 352.113, subdivision 1; 352.12, subdivision 1; 352.22, subdivision 3; 352C.033; 353.01, subdivisions 2b, 6, 10, 16, and 20; 353.27, subdivisions 4, 7, 12, 12a, and by adding subdivisions; 353.28, subdivision 6; 353.29, subdivision 4; 353.31, subdivision 1; 353.34, subdivision 1; 353.46, subdivision 4; 353.64, by adding a subdivision; 353A.01, subdivision 1; 353A.02, subdivision 16, and by adding a subdivision; 353A.03; 353A.06; 353A.08, subdivision 1; 353C.06, subdivision 3; 353C.07, subdivision 1; 353C.08, subdivision 2; 353C.09; 353D.01, subdivision 2; 353D.02; 353D.04; 353D.05, subdivision 2; 353D.07, subdivisions 2 and 3; 353D.12, subdivision 1; 356.371, subdivision 3; 356.71; 356.86, subdivisions 2 and 4; 356.87; 422A.03, subdivision 1; 422A.05, subdivision 2c; 422A.09, subdivision 3; 422A.13, subdivision 2; 422A.16, subdivisions 1 and 3; 490.124, subdivision 11; Laws 1990, chapter 570, article 8, section 14, subdivision 1; and repealing Minnesota Statutes 1990, sections 353.33, subdivision 5a; and 353C.07, subdivision 2.

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

Ozment, Milbert, Morrison, Seaberg and Pugh introduced:

H. F. No. 1585, A bill for an act relating to Dakota county; authorizing a project to collaborate on programs between the county and school districts; appropriating money.

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

Tunheim and Lasley introduced:

H. F. No. 1586, A bill for an act relating to education; establishing telecommunications grants for school districts; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124C.

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

Frederick, Hugoson, Dille, Waltman and Koppendraye introduced:

H. F. No. 1587, A bill for an act relating to taxation; providing for distribution of fire state aid to cities; amending Minnesota Statutes 1990, sections 69.011, subdivision 1; and 69.021, subdivisions 4, 6, 7, 8, and 9.

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

McPherson, Koppendraye, Swenson and Haukoos introduced:

H. F. No. 1588, A bill for an act relating to taxation; property; prohibiting an increase in estimated market value for homesteads owned by persons at least 65 years of age; amending Minnesota Statutes 1990, section 273.11, subdivisions 1, 5, and by adding a subdivision.

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

Brown introduced:

H. F. No. 1589, A bill for an act relating to agriculture; appropriating money for the state's portion of the interstate compact on grain marketing.

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

Uphus introduced:

H. F. No. 1590, A bill for an act relating to railroads; permitting the commissioner of transportation to authorize increased financing for regional rail authorities to acquire abandoned rail lines with high value rail; amending Minnesota Statutes 1990, section 222.50, subdivision 7.

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

Greenfield introduced:

H. F. No. 1591, A bill for an act relating to health; establishing health and safety standards for residential care home; requiring licenses; imposing penalties; amending Minnesota Statutes 1990, sections 144A.51, subdivision 5; 144A.53, subdivision 1; and 157.031, subdivisions 2, 3, 4, and 9; proposing coding for new law as Minnesota Statutes, chapter 144B; repealing Minnesota Statutes 1990, section 157.031, subdivision 5.

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

Greenfield introduced:

H. F. No. 1592, A bill for an act relating to health; requiring home care providers to advise persons receiving home care services of certain rights; amending Minnesota Statutes 1990, section 144A.44, subdivision 1.

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

Bertram introduced:

H. F. No. 1593, A bill for an act relating to natural resources; authorizing limited leasing of a tract of land within Lake Maria state park.

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

Welle introduced:

H. F. No. 1594, A bill for an act relating to health; exempting Medicare certified home care providers from the home care licensure requirement; amending Minnesota Statutes 1990, section 144A.46, subdivision 2.

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

Sparby, Schreiber, Goodno, Bertram and Gutknecht introduced:

H. F. No. 1595, A bill for an act relating to solid waste; regulating packaging and toxic materials in packaging; defining packaging; preempting local regulations relating to packaging; establishing a packaging advisory council; requiring reduction of the use of toxic materials in packaging; requiring various reports and research; authorizing rulemaking; providing penalties; amending Minnesota Statutes 1990, sections 115A.02; 115A.03, by adding a subdivision; 115A.12, subdivision 1, and by adding a subdivision; 115A.557, by adding a subdivision; and 400.08, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 115A.

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

Girard and Hugoson introduced:

H. F. No. 1596, A bill for an act relating to agriculture; abolishing the right of first refusal of an immediately preceding former owner who was a participant in the family farm security program; amending Minnesota Statutes 1990, section 500.24, subdivision 6.

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

Jaros and Wenzel introduced:

H. F. No. 1597, A bill for an act relating to education; providing for student financial aid and the financing of post-secondary education; amending Minnesota Statutes 1990, sections 135A.03, subdivisions 1 and 4; and 136A.121, subdivisions 6 and 10.

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

Bishop, Solberg, Clark, Kahn and Krueger introduced:

H. F. No. 1598, A bill for an act relating to human rights; limiting certain legal fees charged by the attorney general; amending Minnesota Statutes 1990, section 363.121.

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

Farrell introduced:

H. F. No. 1599, A bill for an act relating to the state lottery; providing for distribution of part of the proceeds to cities and towns for property tax relief; appropriating money; amending Minnesota Statutes 1990, section 349A.10, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 477A.

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

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

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

H. F. No. 131, A bill for an act relating to Meeker county; authorizing the county board to provide for an addition to the county hospital.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Dille moved that the House concur in the Senate amendments to H. F. No. 131 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 131, A bill for an act relating to Meeker county; authorizing the county board to provide for an addition to the county hospital.



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

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Kinkel	Ogren	Seaberg
Anderson, I.	Garcia	Knickerbocker	Olsen, S.	Segal
Anderson, R.	Girard	Koppendrayer	Olson, E.	Skoglund
Battaglia	Goodno	Krinkie	Olson, K.	Smith
Bauerly	Greenfield	Krueger	Omann	Solberg
Beard	Gruenes	Lasley	Onnen	Sparby
Begich	Gutknecht	Leppik	Orenstein	Stanius
Bertram	Hanson	Lieder	Orfield	Steensma
Bettermann	Hartle	Limmer	Osthoff	Sviggum
Bishop	Hasskamp	Long	Ostrom	Swenson
Bodahl	Haukoos	Lourey	Ozment	Thompson
Boo	Hausman	Lynch	Pauly	Tompkins
Brown	Heir	Macklin	Pellow	Trimble
Carlson	Hufnagle	Mariani	Pelowski	Tunheim
Carruthers	Hugoson	Marsh	Peterson	Uphus
Clark	Jacobs	McEachern	Pugh	Valento
Cooper	Janezich	McGuire	Reding	Vellenga
Dauner	Jaros	McPherson	Rest	Wagenius
Davids	Jefferson	Milbert	Rice	Waltman
Dawkins	Jennings	Morrison	Rodosovich	Weaver
Dempsey	Johnson, A.	Munger	Rukavina	Wejman
Dille	Johnson, R.	Murphy	Runbeck	Welker
Dorn	Johnson, V.	Nelson, K.	Sarna	Welle
Erhardt	Kahn	Nelson, S.	Schafer	Wenzel
Farrell	Kalis	Newinski	Scheid	Spk. Vanasek
Frederick	Kelso	O'Connor	Schreiber	

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

## CONSENT CALENDAR

H. F. No. 934, A bill for an act relating to motor vehicles; prohibiting registration of vehicle for which salvage certificate of title is issued; amending Minnesota Statutes 1990, section 168A.152, 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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Anderson, R.	Bauerly	Begich	Bettermann
Anderson, I.	Battaglia	Beard	Bertram	Bishop

Blatz	Hartle	Lieder	Orenstein	Solberg
Bodahl	Hasskamp	Limmer	Orfield	Sparby
Boo	Haukoos	Long	Osthoff	Stanius
Brown	Hausman	Lourey	Ostrom	Steensma
Carlson	Heir	Lynch	Ozment	Sviggum
Carruthers	Hufnagle	Macklin	Pauly	Swenson
Clark	Hugoson	Mariani	Pellow	Thompson
Cooper	Jacobs	Marsh	Pelowski	Tompkins
Dauner	Janezich	McEachern	Peterson	Trimble
Davids	Jaros	McGuire	Pugh	Tunheim
Dawkins	Jefferson	McPherson	Reding	Uphus
Dempsey	Jennings	Milbert	Rest	Valento
Dille	Johnson, A.	Morrison	Rice	Vellenga
Dorn	Johnson, R.	Munger	Rodosovich	Wagenius
Erhardt	Johnson, V.	Murphy	Rukavina	Waltman
Farrell	Kahn	Nelson, K.	Runbeck	Weaver
Frederick	Kalis	Nelson, S.	Sarna	Wejzman
Frerichs	Kelso	Newinski	Schafer	Welker
Garcia	Kinkel	O'Connor	Scheid	Welle
Girard	Knickerbocker	Ogren	Schreiber	Wenzel
Goodno	Koppendrayer	Olsen, S.	Seaberg	Winter
Greenfield	Krinkie	Olson, E.	Segal	Spk. Vanasek
Gruenes	Krueger	Olson, K.	Simoneau	
Gutknecht	Lasley	Omman	Skoglund	
Hanson	Leppik	Onnen	Smith	

The bill was passed and its title agreed to.

H. F. No. 354, A bill for an act relating to natural resources; providing a deadline for the legislative task force on minerals to submit its report; extending the availability of its appropriation.

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	Dawkins	Hufnagle	Limmer	Olson, K.
Anderson, I.	Dempsey	Hugoson	Long	Omman
Anderson, R.	Dille	Jacobs	Lourey	Onnen
Battaglia	Dorn	Janezich	Lynch	Orenstein
Bauerly	Erhardt	Jaros	Mariani	Orfield
Beard	Farrell	Jefferson	Marsh	Osthoff
Begich	Frederick	Jennings	McEachern	Ostrom
Bertram	Frerichs	Johnson, A.	McGuire	Ozment
Bettermann	Garcia	Johnson, R.	McPherson	Pauly
Bishop	Girard	Johnson, V.	Milbert	Pellow
Blatz	Goodno	Kahn	Morrison	Pelowski
Bodahl	Greenfield	Kalis	Munger	Peterson
Boo	Gruenes	Kelso	Murphy	Pugh
Brown	Gutknecht	Kinkel	Nelson, K.	Reding
Carlson	Hanson	Knickerbocker	Nelson, S.	Rest
Carruthers	Hartle	Koppendrayer	Newinski	Rice
Clark	Hasskamp	Krueger	O'Connor	Rodosovich
Cooper	Haukoos	Lasley	Ogren	Rukavina
Dauner	Hausman	Leppik	Olsen, S.	Runbeck
Davids	Heir	Lieder	Olson, E.	Sarna

Schafer	Skoglund	Sviggum	Uphus	Wejeman
Scheid	Smith	Swenson	Valento	Welle
Schreiber	Solberg	Thompson	Vellenga	Wenzel
Seaberg	Sparby	Tompkins	Wagenius	Winter
Segal	Stanis	Trimble	Waltman	Spk. Vanasek
Simoneau	Steensma	Tunheim	Weaver	

The bill was passed and its title agreed to.

H. F. No. 390 was reported to the House.

Trimble moved that H. F. No. 390 be continued on the Consent Calendar. The motion prevailed.

H. F. No. 578, A bill for an act relating to Dakota county; permitting cities and towns to transfer assessment review duties to the county; proposing coding for new law in Minnesota Statutes, chapter 383D.

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

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

Those who voted in the affirmative were:

Abrams	Frerichs	Knickerbocker	Olson, E.	Skoglund
Anderson, I.	Garcia	Koppendrayner	Olson, K.	Smith
Anderson, R.	Girard	Krinkie	Omann	Solberg
Battaglia	Goodno	Krueger	Onnen	Sparby
Bauerly	Greenfield	Lasley	Orenstein	Stanis
Beard	Gruenes	Leppik	Orfield	Steensma
Begich	Gutknecht	Lieder	Osthoff	Sviggum
Bertram	Hanson	Limmer	Ostrom	Swenson
Bettermann	Hartle	Long	Ozment	Thompson
Bishop	Hasskamp	Lourey	Pauly	Tompkins
Blatz	Haukoos	Lynch	Pellow	Trimble
Bodahl	Hausman	Macklin	Pelowski	Tunheim
Boo	Heir	Mariani	Peterson	Uphus
Brown	Hufnagle	Marsh	Pugh	Valento
Carlson	Hugoson	McEachern	Reding	Vellenga
Carruthers	Jacobs	McGuire	Rest	Wagenius
Clark	Janezich	McPherson	Rice	Waltman
Cooper	Jaros	Milbert	Rodosovich	Weaver
Dauner	Jefferson	Morrison	Rukavina	Wejeman
Davids	Jennings	Munger	Runbeck	Welker
Dawkins	Johnson, A.	Murphy	Sarna	Welle
Dempsey	Johnson, R.	Nelson, K.	Schafer	Wenzel
Dille	Johnson, V.	Nelson, S.	Scheid	Winter
Dorn	Kahn	Newinski	Schreiber	Spk. Vanasek
Erhardt	Kalis	O'Connor	Seaberg	
Farrell	Kelso	Ogren	Segal	
Frederick	Kinkel	Olsen, S.	Simoneau	

The bill was passed and its title agreed to.

The Speaker called Krueger to the Chair.

H. F. No. 609, A bill for an act relating to veterans; authorizing the veterans homes board to rent certain facilities; authorizing expenditures of money; amending Minnesota Statutes 1990, section 198.003.

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

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

Those who voted in the affirmative were:

Abrams	Frerichs	Knickerbocker	Olson, E.	Skoglund
Anderson, I.	Garcia	Koppendraye	Olson, K.	Smith
Anderson, R.	Girard	Krinkie	Omann	Solberg
Battaglia	Goodno	Krueger	Onnen	Sparby
Bauerly	Greenfield	Lasley	Orenstein	Stanis
Beard	Gruenes	Leppik	Orfield	Steensma
Begich	Gutknecht	Lieder	Osthoff	Sviggum
Bertram	Hanson	Limmer	Ostrom	Swenson
Bettermann	Hartle	Long	Ozment	Thompson
Bishop	Hasskamp	Lourey	Pauly	Tompkins
Blatz	Haukoos	Lynch	Pellow	Trimble
Bodahl	Hausman	Macklin	Pelowski	Tunheim
Boo	Heir	Mariani	Peterson	Uphus
Brown	Hufnagle	Marsh	Pugh	Valento
Carlson	Hugoson	McEachern	Reding	Vellenga
Carruthers	Jacobs	McGuire	Rest	Wagenius
Clark	Janezich	McPherson	Rice	Waltman
Cooper	Jaros	Milbert	Rodosovich	Weaver
Dauner	Jefferson	Morrison	Rukavina	Wejcman
Dauids	Jennings	Munger	Runbeck	Welker
Dawkins	Johnson, A.	Murphy	Sarna	Welle
Dempsey	Johnson, R.	Nelson, K.	Schafer	Wenzel
Dille	Johnson, V.	Nelson, S.	Scheid	Winter
Dorn	Kahn	Newinski	Schreiber	Spk. Vanasek
Erhardt	Kalis	O'Connor	Seaberg	
Farrell	Kelso	Ogren	Segal	
Frederick	Kinkel	Olsen, S.	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 620, A bill for an act relating to state lands; authorizing the sale of certain land in Cook county.

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	Frerichs	Kinkel	Ogren	Segal
Anderson, I.	Garcia	Knickerbocker	Olsen, S.	Simoneau
Anderson, R.	Girard	Koppendraye	Olson, E.	Skoglund
Battaglia	Goodno	Krinkie	Olson, K.	Smith
Bauerly	Greenfield	Krueger	Omann	Solberg
Beard	Gruenes	Lasley	Onnen	Sparby
Begich	Gutknecht	Leppik	Orenstein	Stanius
Bertram	Hanson	Lieder	Orfield	Steensma
Bettermann	Hartle	Limmer	Osthoff	Sviggum
Bishop	Hasskamp	Long	Ostrom	Swenson
Blatz	Haukoos	Lourey	Ozment	Thompson
Bodahl	Hausman	Lynch	Pauly	Tompkins
Boo	Heir	Macklin	Pellow	Trimble
Brown	Hufnagle	Mariani	Pelowski	Tunheim
Carlson	Hugoson	Marsh	Pugh	Uphus
Carruthers	Jacobs	McEachern	Reding	Valento
Clark	Janezich	McGuire	Rest	Vellenga
Cooper	Jaros	McPherson	Rice	Wagenius
Dauner	Jefferson	Milbert	Rodosovich	Waltman
Dawkins	Jennings	Morrison	Rukavina	Weaver
Dempsey	Johnson, A.	Munger	Runbeck	Wejcmann
Dille	Johnson, R.	Murphy	Sarna	Welker
Dorn	Johnson, V.	Nelson, K.	Schafer	Welle
Erhardt	Kahn	Nelson, S.	Scheid	Wenzel
Farrell	Kalis	Newinski	Schreiber	Winter
Frederick	Kelso	O'Connor	Seaberg	

The bill was passed and its title agreed to.

H. F. No. 722, A bill for an act relating to the military; clarifying language about certain money appropriated for land acquisition; amending Minnesota Statutes 1990, section 190.25, subdivision 3.

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

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Brown	Frederick	Heir	Kelso
Anderson, I.	Carlson	Frerichs	Hufnagle	Kinkel
Anderson, R.	Carruthers	Garcia	Hugoson	Knickerbocker
Battaglia	Clark	Girard	Jacobs	Koppendraye
Bauerly	Cooper	Goodno	Janezich	Krinkie
Beard	Dauner	Greenfield	Jaros	Krueger
Begich	Dauids	Gruenes	Jefferson	Lasley
Bertram	Dawkins	Gutknecht	Jennings	Leppik
Bettermann	Dempsey	Hanson	Johnson, A.	Lieder
Bishop	Dille	Hartle	Johnson, R.	Limmer
Blatz	Dorn	Hasskamp	Johnson, V.	Long
Bodahl	Erhardt	Haukoos	Kahn	Lourey
Boo	Farrell	Hausman	Kalis	Lynch

Macklin	Ogren	Pelowski	Seaberg	Tunheim
Mariani	Olsen, S.	Peterson	Segal	Uphus
Marsh	Olson, E.	Pugh	Simoneau	Valento
McEachern	Olson, K.	Reding	Skoglund	Vellenga
McGuire	Omann	Rest	Smith	Wagenius
McPherson	Onnen	Rice	Solberg	Waltman
Milbert	Orenstein	Rodosovich	Sparby	Weaver
Morrison	Orfield	Rukavina	Stanjus	Wejcmán
Munger	Osthoﬀ	Runbeck	Sviggum	Welker
Murphy	Ostrom	Sarna	Swenson	Welle
Nelson, K.	Ozment	Schafer	Thompson	Wenzel
Newinski	Pauly	Scheid	Tompkins	Winter
O'Connor	Pellow	Schreiber	Trimble	

The bill was passed and its title agreed to.

H. F. No. 843, A bill for an act relating to waste; Western Lake Superior sanitary district; amending the definition of solid waste; changing the date for adoption of a budget; amending Minnesota Statutes 1990, sections 458D.02, subdivision 18; and 458D.08.

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

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

Those who voted in the affirmative were:

Abrams	Frerichs	Knickerbocker	Olson, E.	Skoglund
Anderson, I.	Garcia	Koppendrayner	Olson, K.	Smith
Anderson, R.	Girard	Krinkie	Omann	Solberg
Battaglia	Goodno	Krueger	Onnen	Sparby
Bauerly	Greenfield	Lasley	Orenstein	Stanjus
Beard	Gruenes	Leppik	Orfield	Steensma
Begich	Gutknecht	Lieder	Osthoﬀ	Sviggum
Bertram	Hanson	Limmer	Ostrom	Swenson
Bettermann	Hartle	Long	Ozment	Thompson
Bishop	Hasskamp	Lourey	Pauly	Tompkins
Blatz	Haukoos	Lynch	Pellow	Trimble
Bodahl	Hausman	Macklin	Pelowski	Tunheim
Boo	Heir	Mariani	Peterson	Uphus
Brown	Hufnagle	Marsh	Pugh	Valento
Carlson	Hugoson	McEachern	Reding	Vellenga
Carruthers	Jacobs	McGuire	Rest	Wagenius
Clark	Janezich	McPherson	Rice	Waltman
Cooper	Jaros	Milbert	Rodosovich	Weaver
Dauner	Jefferson	Morrison	Rukavina	Wejcmán
Davids	Jennings	Munger	Runbeck	Welker
Dawkins	Johnson, A.	Murphy	Sarna	Welle
Dempsey	Johnson, R.	Nelson, K.	Schafer	Wenzel
Dille	Johnson, V.	Nelson, S.	Scheid	Winter
Dorn	Kahn	Newinski	Schreiber	
Erhardt	Kalis	O'Connor	Seaberg	
Farrell	Kelso	Ogren	Segal	
Frederick	Kinkel	Olsen, S.	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1006, A bill for an act relating to state lands; transferring state land to the city of Moose Lake.

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

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

Those who voted in the affirmative were:

Abrams	Frerichs	Knickerbocker	Olson, E.	Skoglund
Anderson, I.	Garcia	Koppendraye	Olson, K.	Smith
Anderson, R.	Girard	Krinkie	Omann	Solberg
Battaglia	Goodno	Krueger	Onnen	Sparby
Bauerly	Greenfield	Lasley	Orenstein	Stanius
Beard	Gruenes	Leppik	Orfield	Steensma
Begich	Gutknecht	Lieder	Osthoff	Sviggum
Bertram	Hanson	Limmer	Ostrom	Swenson
Bettermann	Hartle	Long	Ozment	Thompson
Bishop	Hasskamp	Lourey	Pauly	Tompkins
Blatz	Haukoos	Lynch	Pellow	Trimble
Bodahl	Hausman	Macklin	Pelowski	Tunheim
Boo	Heir	Mariani	Peterson	Uphus
Brown	Hufnagle	Marsh	Pugh	Valento
Carlson	Hugoson	McEachern	Reding	Vellenga
Carruthers	Jacobs	McGuire	Rest	Wagenius
Clark	Janezich	McPherson	Rice	Waltman
Cooper	Jaros	Milbert	Rodosovich	Weaver
Dauner	Jefferson	Morrison	Rukavina	Wejman
Davids	Jeffings	Munger	Runbeck	Welker
Dawkins	Johnson, A.	Murphy	Sarna	Welle
Dempsey	Johnson, R.	Nelson, K.	Schafer	Wenzel
Dille	Johnson, V.	Nelson, S.	Scheid	Winter
Dorn	Kahn	Newinski	Schreiber	
Erhardt	Kalis	O'Connor	Seaberg	
Farrell	Kelso	Ogren	Segal	
Frederick	Kinkel	Olsen, S.	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1020, A bill for an act relating to state parks; authorizing handicapped permits for display on handicapped vehicle identifying certificates; amending Minnesota Statutes 1990, section 85.053, subdivisions 2 and 7.

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	Anderson, R.	Bauerly	Begich	Bettermann
Anderson, I.	Battaglia	Beard	Bertram	Bishop

Blatz	Hanson	Lasley	Omann	Simoneau
Bodahl	Hartle	Leppik	Onnen	Skoglund
Boo	Hasskamp	Lieder	Orenstein	Smith
Brown	Haukoos	Limmer	Orfield	Solberg
Carlson	Hausman	Long	Osthoff	Sparby
Carruthers	Heir	Lynch	Ostrom	Stanius
Clark	Hufnagle	Macklin	Ozment	Steensma
Cooper	Hugoson	Mariani	Pauly	Svigum
Dauner	Jacobs	Marsh	Pellow	Swenson
Davids	Janezich	McEachern	Pelowski	Thompson
Dawkins	Jaros	McGuire	Peterson	Tompkins
Dempsey	Jefferson	McPherson	Pugh	Trimble
Dille	Jennings	Milbert	Reding	Tunheim
Dorn	Johnson, A.	Morrison	Rest	Uphus
Erhardt	Johnson, R.	Munger	Rice	Valento
Farrell	Johnson, V.	Murphy	Rodosovich	Vellenga
Frederick	Kahn	Nelson, K.	Rukavina	Wagenius
Frerichs	Kalis	Nelson, S.	Runbeck	Waltman
Garcia	Kelso	Newinski	Sarna	Weaver
Girard	Kinkel	O'Connor	Schafer	Wejzman
Goodno	Knickerbocker	Ogren	Scheid	Welker
Greenfield	Koppendrayner	Olson, S.	Schreiber	Welle
Gruenes	Krinkie	Olson, E.	Seaberg	Wenzel
Gutknecht	Krueger	Olson, K.	Segal	Winter

The bill was passed and its title agreed to.

H. F. No. 1112 was reported to the House.

Dawkins moved that H. F. No. 1112 be continued on the Consent Calendar. The motion prevailed.

H. F. No. 1182, A bill for an act relating to waters; acceptance of funds or property and acquisition of real property by the state board of water and soil resources; amending Minnesota Statutes 1990, section 103C.401, 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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bodahl	Dille	Gutknecht	Jaros
Anderson, I.	Boo	Dorn	Hanson	Jefferson
Anderson, R.	Brown	Erhardt	Hartle	Jennings
Battaglia	Carlson	Farrell	Hasskamp	Johnson, A.
Bauerly	Carruthers	Frederick	Haukoos	Johnson, R.
Beard	Clark	Frerichs	Hausman	Johnson, V.
Begich	Cooper	Garcia	Heir	Kahn
Bertram	Dauner	Girard	Hufnagle	Kalis
Bettermann	Davids	Goodno	Hugoson	Kelso
Bishop	Dawkins	Greenfield	Jacobs	Kinkel
Blatz	Dempsey	Gruenes	Janezich	Knickerbocker



Koppendrayner	McPherson	Orfield	Sarna	Thompson
Krinkie	Milbert	Osthoff	Schafer	Tompkins
Krueger	Morrison	Ostrom	Scheid	Trimble
Lasley	Munger	Ozment	Schreiber	Tunheim
Leppik	Murphy	Pauly	Seaberg	Uphus
Lieder	Nelson, K.	Pellow	Segal	Valento
Limmer	Nelson, S.	Pelowski	Simoneau	Vellenga
Long	Newinski	Peterson	Skoglund	Wagenius
Lourey	O'Connor	Pugh	Smith	Waltman
Lynch	Olsen, S.	Reding	Solberg	Weaver
Macklin	Olson, E.	Rest	Sparby	Wejcmán
Mariani	Olson, K.	Rice	Stanis	Welker
Marsh	Omann	Rodosovich	Steensma	Welle
McEachern	Onnen	Rukavina	Sviggum	Wenzel
McGuire	Orenstein	Runbeck	Swenson	Winter

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

### CALENDAR

H. F. No. 471 was reported to the House.

Ogren moved that H. F. No. 471 be continued on the Calendar. 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:

H. F. No. 1209, A resolution memorializing the President and Congress to condemn the use of Soviet military force in the Baltic

Republics and support the Baltic Republics for their self-determination.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

House Concurrent Resolution No. 3, A house concurrent resolution providing for a joint convention of the Senate and the House of Representatives to elect members of the Board of Regents of the University of Minnesota.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND READOPTION

Long moved that the House concur in the Senate amendments to House Concurrent Resolution No. 3. The motion prevailed.

Long moved that House Concurrent Resolution No. 3 be readopted, as amended by the Senate. The motion prevailed and House Concurrent Resolution No. 3 was readopted, as amended by the Senate.

#### MOTIONS AND RESOLUTIONS

Segal moved that the name of Welle be stricken and the name of Leppik be added as an author on H. F. No. 333. The motion prevailed.

Sparby moved that the name of Hugoson be added as an author on H. F. No. 702. The motion prevailed.

Tunheim moved that the name of Hasskamp be added as an author on H. F. No. 1185. The motion prevailed.

Peterson moved that the name of Nelson, S., be stricken and the name of Anderson, R. H., be added as an author on H. F. No. 1352. The motion prevailed.

Dille moved that the name of Bauerly be added as an author on H. F. No. 1389. The motion prevailed.

Thompson moved that the names of Kinkel; Nelson, S., and Dauner be added as authors on H. F. No. 1447. The motion prevailed.

Anderson, R., moved that the name of Anderson, I., be added as an author on H. F. No. 1451. The motion prevailed.

Hausman moved that the name of Johnson, R., be added as an author on H. F. No. 1518. The motion prevailed.

Cooper moved that the name of Peterson be added as an author on H. F. No. 1519. The motion prevailed.

Steensma moved that the name of Sparby be added as an author on H. F. No. 1524. The motion prevailed.

Welle moved that the name of Peterson be added as an author on H. F. No. 1530. The motion prevailed.

Greenfield moved that the name of Clark be added as an author on H. F. No. 1538. The motion prevailed.

Swenson moved that the name of Vellenga be added as an author on H. F. No. 1553. The motion prevailed.

Runbeck moved that the name of Dawkins be added as an author on H. F. No. 1558. The motion prevailed.

Nelson, K., moved that the names of Pugh and Milbert be added as authors on H. F. No. 1574. The motion prevailed.

Sparby moved that the names of Lieder, Tunheim and Olson, E., be added as authors on H. F. No. 1578. The motion prevailed.

Simoneau moved that the name of Lourey be added as second author on H. F. No. 1527. The motion prevailed.

Reding moved that H. F. No. 165 be recalled from the Committee on Judiciary and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Murphy moved that H. F. No. 822 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Reding moved that H. F. No. 989, now on Technical General Orders, be re-referred to the Committee on Governmental Operations. The motion prevailed.

Bauerly moved that S. F. No. 391 be recalled from the Committee on Agriculture and together with H. F. No. 408, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Bishop moved that H. F. No. 1569 be recalled from the Committee on Appropriations and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Sparby moved that H. F. No. 1038, now on General Orders, be re-referred to the Committee on Judiciary. The motion prevailed.

Lasley moved that S. F. No. 437 be recalled from the Committee on Agriculture and be re-referred to the Committee on Appropriations. The motion prevailed.

Bishop moved that H. F. No. 1205 be returned to its author. The motion prevailed.

Uphus moved that H. F. No. 1206 be returned to its author. The motion prevailed.

#### ADJOURNMENT

Long moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, April 15, 1991. The motion prevailed.

Long moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, April 15, 1991.

EDWARD A. BURDICK, Chief Clerk, House of Representatives