

STATE OF MINNESOTA

SEVENTY-SEVENTH SESSION—1992

NINETY-EIGHTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, APRIL 14, 1992

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

Prayer was offered by Lee Freeman, Retired-Former Pastor, University Baptist Church, Minneapolis, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

The Chief Clerk proceeded to read the Journal of the preceding day. Steensma 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. 2565 and H. F. No. 2727, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Gutknecht moved that S. F. No. 2565 be substituted for H. F. No. 2727 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2699 and H. F. No. 2335, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Peterson moved that the rules be so far suspended that S. F. No. 2699 be substituted for H. F. No. 2335 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, 1992

The Honorable Dee Long
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Long:

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. 2924, relating to licensure board powers; amending the examination procedure for licensing optometrists.

H. F. No. 1996, relating to retirement; permitting certain persons

to have employer contributions transferred from the teachers retirement association to the individual retirement account plan.

H. F. No. 1852, relating to Big Stone, Chippewa, and Kandiyohi counties; permitting each county to consolidate the offices of auditor and treasurer.

H. F. No. 2186, relating to retirement; St. Paul fire department relief association; authorizing the payment of benefits to surviving former spouses of certain members.

H. F. No. 2572, relating to probate; altering the definition of successors.

H. F. No. 2683, relating to the city of Nashwauk; authorizing an increase in benefits payable to surviving spouses by the police relief association; repealing a surviving spouse remarriage penalty.

H. F. No. 2369, relating to retirement; authorizing a benefit increase for certain retired police officers and surviving spouses in the city of Thief River Falls.

H. F. No. 1827, relating to livestock diseases; modifying requirements for certain tests.

H. F. No. 2287, relating to retirement; local police and salaried firefighter relief associations; eliminating eligibility for amortization state aid and supplementary amortization state aid for relief associations and consolidation accounts with no unfunded actuarial accrued liability.

Warmest regards,

ARNE H. CARLSON
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 8, 1992

The Honorable Dee Long
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Long:

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. 1833, relating to traffic regulations; permitting certain cities to provide for volunteer enforcement of certain regulations.

H. F. No. 2034, relating to health; allowing persons who voluntarily provide assistance at the scene of an accident to obtain test results to determine whether they have been exposed to HIV or hepatitis B.

H. F. No. 2081, relating to health; modifying provider appeal requirements for medical assistance.

H. F. No. 2732, relating to public utilities; removing the public service member from the telecommunications access for communication-impaired persons board.

H. F. No. 2640, relating to occupations and professions; elevators and boilers; providing that boilers used for mint oil extraction are considered to be used for agricultural or horticultural purposes.

H. F. No. 2142, relating to employment; leaves of absence; assigning duties to the division of labor standards; modifying provisions relating to school conference leave for employees with children.

Warmest regards,

ARNE H. CARLSON
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 9, 1992

The Honorable Dee Long
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Long:

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. 1416, relating to commerce; modifying the regulation of interest rate advertising.

H. F. No. 2137, relating to retirement; the Minnesota state retirement system and the public employees retirement association; making various changes to administration, benefits, and investment practices.

H. F. No. 1489, relating to cooperatives; applying the open meeting law to certain electric cooperatives.

Warmest regards,

ARNE H. CARLSON
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 9, 1992

The Honorable Dee Long
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Long:

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 File:

H. F. No. 2792, relating to retirement; providing level benefits for members of the Minneapolis fire department relief association.

Warmest regards,

ARNE H. CARLSON
Governor

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

The Honorable Dee Long
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 1992 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 1992</i>	<i>Date Filed 1992</i>
2637		418	5:02 p.m. April 8	April 9
	2924	419	4:20 p.m. April 8	April 9
	1996	420	4:22 p.m. April 8	April 9
	1852	421	4:25 p.m. April 8	April 9
	2186	422	4:26 p.m. April 8	April 9
	2572	423	4:27 p.m. April 8	April 9
	1833	424	5:05 p.m. April 8	April 9
	2034	425	5:08 p.m. April 8	April 9
	2081	426	5:12 p.m. April 8	April 9
	1416	427	2:15 p.m. April 9	April 10

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

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

The Honorable Dee Long
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 1992 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 1992</i>	<i>Date Filed 1992</i>
	2683	428	4:29 p.m. April 8	April 9
	2792	429	4:10 p.m. April 9	April 10
	2732	430	4:59 p.m. April 8	April 9
	2369	431	4:29 p.m. April 8	April 9
	2137	432	4:25 p.m. April 9	April 10

1827	433	4:48 p.m. April 8	April 9
1489	435	4:22 p.m. April 9	April 10
2640	436	5:15 p.m. April 8	April 9
2287	437	4:40 p.m. April 8	April 9
2142	438	5:17 p.m. April 8	April 9
2028	439	4:42 p.m. April 8	April 9

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

SECOND READING OF SENATE BILLS

S. F. Nos. 2565 and 2699 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Milbert introduced:

H. F. No. 3042, A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results, and technical errors of a noncontroversial nature; amending Minnesota Statutes 1991 Supplement, section 302A.402, subdivision 3.

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

Girard introduced:

H. F. No. 3043, A bill for an act relating to drainage; defining as "repair" certain incidental straightening of tiles and use of larger tile sizes under certain circumstances; amending Minnesota Statutes 1990, section 103E.701, subdivision 1.

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

Jaros introduced:

H. F. No. 3044, A resolution memorializing the President, the Department of Defense, and the Congress of the United States to reconsider making any further cuts to the National Guard and to insure that the Army National Guard's end strength is reduced no lower than 425,450 persons.

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

Nelson, K.; Bauerly; Hausman and Weaver introduced:

H. F. No. 3045, A bill for an act relating to education; creating the Minnesota education finance act of 1992; proposing coding for new law in Minnesota Statutes, chapter 124A.

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

Bauerly, McEachern, Bertram, Welle and Weaver introduced:

H. F. No. 3046, A bill for an act relating to the program of aid to families with dependent children; requiring caretakers to participate in early childhood family education programs, to the extent permissible under federal law; amending Minnesota Statutes 1990, section 256.736, subdivision 10; and Minnesota Statutes 1991 Supplement, section 256.035, subdivision 6c.

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

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

H. F. No. 765, A bill for an act relating to certain state employees; establishing eligibility for state-paid insurance after retirement in certain circumstances.

H. F. No. 2849, A bill for an act relating to state parks; authorizing the commissioner of natural resources to negotiate a special fee

structure for the Split Rock Lighthouse state historic site within Split Rock Lighthouse state park; amending Minnesota Statutes 1990, section 85.053, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 1948, A bill for an act relating to life insurance; authorizing policies for the benefit of a charity; proposing coding for new law in Minnesota Statutes, chapters 61A; and 309.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 2800, A bill for an act relating to health care; providing health coverage for low-income uninsured persons; establishing statewide and regional cost containment programs; reforming requirements for health insurance companies; establishing rural health system initiatives; creating quality of care and data collection programs; revising malpractice laws; transferring authority for regulation of health maintenance organizations from the commissioner of health to the commissioner of commerce; giving the commissioner of health certain duties; creating a health care access account; imposing taxes; appropriating money; amending Minnesota Statutes 1990, sections 16A.124, by adding a subdivision; 43A.17, subdivision 9; 43A.316, by adding subdivisions; 60B.03, subdivision 2; 60B.15; 60B.20; 62A.02, subdivisions 1, 2, 3, and by adding subdivisions; 62D.01, subdivision 2; 62D.02, subdivision 3, and by adding a subdivision; 62D.03; 62D.04; 62D.05, subdivision 6; 62D.06, subdivision 2; 62D.07, subdivisions 2, 3, and 10; 62D.08; 62D.09, subdivisions 1 and 8; 62D.10, subdivision 4; 62D.11; 62D.12, subdivisions 1, 2, and 9; 62D.121, subdivisions 2, 3a, 4, 5, and 7; 62D.14; 62D.15; 62D.16; 62D.17; 62D.18; 62D.19; 62D.20, subdivision 1; 62D.21; 62D.211; 62D.22, subdivision 10; 62D.24; and 62D.30, subdivisions 1 and 3; 62E.02, subdivision 23; 62E.10, subdivision 1; 62E.11, subdivision 9, and by adding a subdivision; 62H.01; 136A.1355, subdivisions 2 and 3; 144.581, subdivision 1;

144.699, subdivision 2; 145.682, subdivision 4; 256.936, subdivisions 1, 2, 3, 4, and by adding subdivisions; 256B.057, by adding a subdivision; 290.01, subdivision 19b; 290.06, by adding a subdivision; 290.62; and 447.31, subdivisions 1 and 3; Minnesota Statutes 1991 Supplement, sections 62A.31, subdivision 1; 62D.122; 145.61, subdivision 5; 145.64, subdivision 2; 256.936, subdivision 5; and 297.02, subdivision 1; 297.03, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 16A; 43A; 62A; 62E; 62J; 136A; 137; 144; 214; 256; 256B; and 604; proposing coding for new law as Minnesota Statutes, chapter 62L; repealing Minnesota Statutes 1990, sections 43A.316, subdivisions 1, 2, 3, 4, 5, 6, 7, and 10; 62A.02, subdivisions 4 and 5; 62D.041, subdivision 4; 62D.042, subdivision 3; 62E.51; 62E.52; 62E.53; 62E.54; and 62E.55; Minnesota Statutes 1991 Supplement, section 43A.316, subdivisions 8 and 9.

The Senate has appointed as such committee:

Ms. Berglin; Mr. Benson, D. D.; Ms. Piper and Messrs. Knaak and Hottinger.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam 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. 2709, A bill for an act relating to alcoholic beverages; exempting liquor investigation vehicles from taxes and registration fees; defining certain terms; clarifying certain language; authorizing issuance of certain liquor licenses and operation of a liquor store; reversion of certain unused liquor licenses; amending Minnesota Statutes 1990, sections 168.012, subdivision 1; 340A.101, subdivision 15; and 340A.602.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Jacobs moved that the House concur in the Senate amendments to H. F. No. 2709 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2709, A bill for an act relating to alcoholic beverages; authorizing the sale of confectionery containing alcohol in confectionery stores; providing for the division of liquor control to use

unmarked motor vehicles for liquor investigations; providing for reasonable licensing fees; specifying conditions under which a municipality is required to hold a public hearing on the question of continued operation of a municipal liquor store; authorizing dispensing of liquor by an on-sale licensee at the National Sports Center in Blaine; authorizing Blue Earth county to issue an on-sale liquor license to a billiard hall; authorizing Lake township in Roseau county to establish, own, and operate an exclusive liquor store; authorizing the counties of Swift and Aitkin to issue off-sale liquor licenses; amending Minnesota Statutes 1990, sections 16B.54, subdivision 2; 31.121; 168.012, subdivision 1; 340A.101, subdivision 15, and by adding a subdivision; 340A.412, by adding a subdivision; and 340A.602; Minnesota Statutes 1991 Supplement, sections 340A.404, subdivision 2; and 340A.408, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 31.

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 124 yeas and 9 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Dille	McEachern	Olson, K.	Skoglund	Welker
Lasley	Murphy	Onnen	Waltman	

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

Madam 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. 419, A bill for an act relating to retirement; public employee retirement savings programs; authorizing an employer matching contribution to certain tax sheltered annuity contracts; amending Minnesota Statutes 1990, section 356.24.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Johnson, R., moved that the House concur in the Senate amendments to H. F. No. 419 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 419, A bill for an act relating to retirement; police state aid program; requiring payments equivalent to automobile insurance premium taxes by self-insurers; public employee retirement savings programs; authorizing an employer matching contribution to certain tax sheltered annuity contracts; amending Minnesota Statutes 1990, section 356.24; Minnesota Statutes 1991 Supplement, section 69.021, subdivisions 5 and 6; proposing coding for new law in Minnesota Statutes, chapter 60A.

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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Hasskamp	Kinkel	Milbert
Anderson, I.	Davids	Haukoos	Knickerbocker	Morrison
Anderson, R.	Dawkins	Hausman	Koppendrayner	Munger
Anderson, R. H.	Dempsey	Heir	Krambeer	Murphy
Battaglia	Dille	Henry	Krinkie	Nelson, K.
Bauerly	Dorn	Hufnagle	Krueger	Nelson, S.
Beard	Erhardt	Hugoson	Lasley	Newinski
Begich	Farrell	Jacobs	Leppik	O'Connor
Bertram	Frederick	Janezich	Lieder	Ogren
Bettermann	Frerichs	Jaros	Limmer	Olsen, S.
Blatz	Garcia	Jefferson	Lourey	Olson, E.
Bodahl	Girard	Jennings	Lynch	Olson, K.
Boo	Goodno	Johnson, A.	Macklin	Omann
Brown	Greenfield	Johnson, R.	Mariani	Onnen
Carlson	Gruenes	Johnson, V.	Marsh	Orenstein
Carruthers	Gutknecht	Kahn	McEachern	Orfield
Clark	Hanson	Kalis	McGuire	Osthoff
Cooper	Hartle	Kelso	McPherson	Ostrom

Ozment	Rodosovich	Skoglund	Tompkins	Weaver
Pauly	Rukavina	Smith	Trimble	Wejman
Pellow	Runbeck	Solberg	Tunheim	Welker
Pelowski	Sarna	Sparby	Uphus	Welle
Peterson	Schafer	Stanis	Valento	Wenzel
Pugh	Schreiber	Steensma	Vanasek	Winter
Reding	Seaberg	Svigum	Vellenga	Spk. Long
Rest	Segal	Swenson	Wagenius	
Rice	Simoneau	Thompson	Waltman	

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

Madam 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. 1873, A bill for an act relating to public employment; requiring public employers to include certain former employees in the same insurance pool as active employees; amending Minnesota Statutes 1990, sections 43A.27, subdivision 3; and 471.61, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Reding moved that the House concur in the Senate amendments to H. F. No. 1873 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1873, A bill for an act relating to public employment; requiring public employers to include certain former employees in the same insurance pool as active employees; amending Minnesota Statutes 1990, sections 43A.27, subdivision 3; 43A.316, by adding a subdivision; and 471.61, by adding a subdivision.

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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Beard	Boo	Dauner	Erhardt
Anderson, I.	Begich	Brown	Dauids	Farrell
Anderson, R.	Bertram	Carlson	Dawkins	Frederick
Anderson, R. H.	Bettermann	Carruthers	Dempsey	Frerichs
Battaglia	Blatz	Clark	Dille	Garcia
Bauerly	Bodahl	Cooper	Dorn	Girard

Goodno	Kahn	Milbert	Pelowski	Svigum
Greenfield	Kalis	Morrison	Peterson	Swenson
Gruenes	Kelso	Munger	Pugh	Thompson
Gutknecht	Kinkel	Murphy	Reding	Tompkins
Hanson	Knickerbocker	Nelson, K.	Rest	Trimble
Hartle	Koppendrayner	Nelson, S.	Rice	Tunheim
Hasskamp	Krambeer	Newinski	Rodosovich	Uphus
Haukoos	Krinkie	O'Connor	Rukavina	Valento
Hausman	Krueger	Ogren	Runbeck	Vanasek
Heir	Lasley	Olsen, S.	Sarna	Vellenga
Henry	Leppik	Olson, E.	Schafer	Wagenius
Hufnagle	Lieder	Olson, K.	Schreiber	Waltman
Hugoson	Limmer	Omamn	Seaberg	Weaver
Jacobs	Lourey	Onnen	Segal	Wejcman
Janezich	Lynch	Orenstein	Simoneau	Welker
Jaros	Macklin	Orfield	Skoglund	Welle
Jefferson	Mariani	Osthoff	Smith	Wenzel
Jennings	Marsh	Ostrom	Solberg	Winter
Johnson, A.	McEachern	Ozment	Sparby	Spk. Long
Johnson, R.	McGuire	Pauly	Stanisus	
Johnson, V.	McPherson	Pellow	Steensma	

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

Madam 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. 2181, A bill for an act relating to data practices; classifying government data; providing for access to and charges for patient's medical records; providing for the treatment of records of certain criminal convictions; altering the procedures of the pardon board and treatment of its records; providing criminal background checks of professional and volunteer child care providers; providing for subpoena powers of county attorneys; changing the time when an arrest warrant may be served; amending Minnesota Statutes 1990, sections 13.08, subdivision 1; 13.46, subdivision 7; 144.335, by adding subdivisions; 147.161, subdivision 3; 152.18, subdivision 1; 242.31; 270B.14, by adding a subdivision; 299C.11; 299C.13; 363.03, subdivision 1; 388.23, subdivision 1; 609.168; 626.14; and 638.02, subdivisions 2 and 4; Minnesota Statutes 1991 Supplement, sections 13.46, subdivision 2; 144.0525; 144.335, subdivisions 1 and 3a; 609.535, subdivision 6; 638.02, subdivision 3; 638.04; 638.05; and 638.06; proposing coding for new law in Minnesota Statutes, chapters 13; 144; 299C; 357; and 638; proposing coding for new law as Minnesota Statutes, chapter 13C.

PATRICK E. FLAHAVEN, Secretary of the Senate

Carruthers moved that the House refuse to concur in the Senate amendments to H. F. No. 2181, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

S. F. No. 1938, A bill for an act relating to landlords and tenants; providing for assignment to the county attorney of the landlord's right to evict for breach of the covenant not to sell drugs or permit their sale; clarifying the law on forfeiture of real estate interests related to contraband or controlled substance seizures; amending Minnesota Statutes 1990, sections 504.181, subdivision 2; and 609.5317, subdivision 1.

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

Ms. Pappas; Messrs. Kelly and Knaak.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Dawkins moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1938. The motion prevailed.

Madam Speaker:

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

S. F. No. 2728.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 2728

A bill for an act relating to agriculture; establishing a state over-order premium milk price for dairy farmers for certain milk; proposing coding for new law in Minnesota Statutes, chapter 32A.

April 10, 1992

The Honorable Jerome M. Hughes
President of the Senate

The Honorable Dee Long
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 2728, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 2728 be further amended as follows:

Page 1, line 23, after “adopt” insert “emergency and permanent”

Page 2, line 7, after the period, insert “The report must also include a summary of processor and distributor information the commissioner has analyzed to determine compliance with sections 32A.01 to 32A.09.”

Page 2, line 11, delete “June 1, 1992” and insert “the day following final enactment”

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

Senate Conferees: DALLAS C. SAMS, GENE WALDORF AND EARL W. RENNEKE.

House Conferees: STEPHEN G. WENZEL, JERRY J. BAUERLY AND BERNIE P. OMANN.

Wenzel moved that the report of the Conference Committee on S. F. No. 2728 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 2728, A bill for an act relating to agriculture; establishing a state over-order premium milk price for dairy farmers for certain milk; proposing coding for new law in Minnesota Statutes, chapter 32A.

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

The question was taken on the repassage of the bill and the roll was called. There were 107 yeas and 20 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Girard	Koppendrayner	Onnen	Sparby
Anderson, R.	Goodno	Krambeer	Orenstein	Steensma
Anderson, R. H.	Gruenes	Krueger	Orfield	Sviggum
Battaglia	Gutknecht	Lasley	Ostrom	Swenson
Bauerly	Hanson	Lieder	Ozment	Thompson
Beard	Hartle	Limmer	Pellow	Tompkins
Begich	Hasskamp	Lourey	Pelowski	Trimble
Bertram	Hausman	Mariani	Peterson	Tunheim
Bettermann	Hufnagle	Marsh	Reding	Uphus
Bodahl	Hugoson	McEachern	Rest	Vanasek
Brown	Jacobs	McGuire	Rice	Vellenga
Carlson	Janezich	McPherson	Rodosovich	Wagenius
Carruthers	Jaros	Munger	Rukavina	Waltman
Clark	Jefferson	Murphy	Runbeck	Weaver
Cooper	Jennings	Nelson, K.	Sarna	Wejman
Davids	Johnson, A.	Nelson, S.	Schafer	Welle
Dille	Johnson, R.	Newinski	Schreiber	Wenzel
Dorn	Johnson, V.	O'Connor	Segal	Winter
Farrell	Kahn	Ogren	Simoneau	Spk. Long
Frederick	Kalis	Olson, E.	Skoglund	
Frerichs	Kelso	Olson, K.	Smith	
Garcia	Kinkel	Omann	Solberg	

Those who voted in the negative were:

Abrams	Erhardt	Knickerbocker	Morrison	Seaberg
Blatz	Haukoos	Krinkie	Olsen, S.	Stanius
Boo	Heir	Leppik	Pauly	Valento
Dempsey	Henry	Lynch	Pugh	Welker

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

Simoneau was excused while in conference.

Madam Speaker:

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

S. F. No. 2430.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 2430

A bill for an act relating to the environment; adding sanctions and procedures relating to petroleum tank release consultants and contractors; amending Minnesota Statutes 1990, sections 115C.02,

by adding subdivisions; 115C.03, by adding a subdivision; 116.48, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 115C.09, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 115C.

April 12, 1992

The Honorable Jerome M. Hughes
President of the Senate

The Honorable Dee Long
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 2430, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 2430 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 115C.01, is amended to read:

115C.01 [CITATION.]

~~Sections 115C.01 to 115C.10~~ This chapter may be cited as the "petroleum tank release cleanup act."

Sec. 2. Minnesota Statutes 1990, section 115C.02, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to ~~sections 115C.02 to 115C.10~~ this chapter.

Sec. 3. Minnesota Statutes 1990, section 115C.02, is amended by adding a subdivision to read:

Subd. 5a. [CONSULTANT.] "Consultant" means an individual, partnership, association, private corporation, or any other legal entity that provides consulting services. Consulting services include the rendering of professional opinion, advice, or analysis regarding a release.

Sec. 4. Minnesota Statutes 1990, section 115C.02, is amended by adding a subdivision to read:

Subd. 5b. [CONTRACTOR.] "Contractor" means an individual, partnership, association, private corporation, or any other legal

entity that provides contractor services. Contractor services means products and services within a scope of work that can be defined by typical written plans and specifications including, but not limited to, excavation, treatment of contaminated soil and groundwater, soil borings and well installations, laboratory analysis, surveying, electrical work, plumbing, carpentry, and equipment.

Sec. 5. Minnesota Statutes 1990, section 115C.03, is amended by adding a subdivision to read:

Subd. 10. [RETENTION OF RECORDS.] A person who applies for reimbursement under this chapter and a contractor or consultant who has billed the applicant for services that are part of the claim for reimbursement must maintain all records related to the claim for reimbursement for a minimum of five years from the date the claim for reimbursement is submitted to the board.

Sec. 6. [115C.045] [KICKBACKS.]

A consultant or contractor, as a condition of performing services, may not agree to pay or forgive the nonreimbursable portion of an application for reimbursement submitted under this chapter. An applicant may not accept forgiveness or demand payment from a consultant or contractor for the nonreimbursable portion of an application for reimbursement submitted under this chapter.

Sec. 7. [115C.065] [CONSULTANT'S OR CONTRACTOR'S DUTY TO NOTIFY.]

A consultant or contractor involved in the removal of a petroleum tank shall immediately notify the agency if field instruments or laboratory tests indicate the presence of any petroleum contamination in excess of state guidelines.

Sec. 8. Minnesota Statutes 1991 Supplement, section 115C.09, subdivision 5, is amended to read:

Subd. 5. [RETURN OF REIMBURSEMENT.] (a) The board may demand the complete or partial return of any reimbursement made under this section if the applicant for reimbursement:

(1) misrepresents or omits a fact relevant to a determination made by the board or the commissioner under this section;

(2) fails to complete corrective action that the commissioner determined at the time of the reimbursement to be necessary to adequately address the release, unless the reimbursement was made under subdivision 3a; or

(3) fails to reimburse a person for agreed-to amounts for corrective actions taken in response to a request by the applicant; or

(4) has entered an agreement to settle or compromise any portion of the incurred costs, in which case the amount returned must be prorated in proportion to the amount of the settlement or compromise.

(b) If a reimbursement under this subdivision is not returned upon demand by the board, the board may recover the reimbursement, with administrative and legal expenses, in a civil action in district court brought by the attorney general against the applicant. If the board's demand for return of the reimbursement is based on willful actions of the applicant, the applicant shall also forfeit and pay to the state a civil penalty, in an amount to be determined by the court, of not more than the full amount of the reimbursement.

Sec. 9. Minnesota Statutes 1991 Supplement, section 115C.09, subdivision 7, is amended to read:

Subd. 7. [DUTY TO PROVIDE INFORMATION.] (a) A person who submits an application to the board for reimbursement, or who has issued invoices or other demands for payment which are the basis of an application, shall furnish to the board copies of any financial records which the board requests and which are relevant to determining the validity of the costs listed in the application, or shall make the financial records reasonably available to the board for inspection and auditing. The board may obtain access to information required to be made available under this subdivision in the manner provided in section 115C.03, subdivision 7.

(b) After reimbursement has been granted, an agreement to settle or compromise any portion of the incurred costs must be reported to the board by the parties to the agreement.

Sec. 10. [115C.11] [CONSULTANTS AND CONTRACTORS; SANCTIONS.]

Subdivision 1. [REGISTRATION.] (a) All consultants and contractors must register with the board in order to participate in the petroleum tank release cleanup program.

(b) The board must maintain a list of all registered consultants and a list of all registered contractors including an identification of the services offered.

(c) An applicant who applies for reimbursement must use a registered consultant and contractor in order to be eligible for reimbursement.

(d) The commissioner must inform any person who notifies the agency of a release under section 115.061 that the person must use a registered consultant or contractor to qualify for reimbursement and that a list of registered consultants and contractors is available from the board.

(e) Work performed by an unregistered consultant or contractor is ineligible for reimbursement.

(f) Work performed by a consultant or contractor prior to being removed from the registration list may be reimbursed by the board.

Subd. 2. [DISQUALIFICATION.] (a) The board must automatically remove from the registration list for five years a consultant or contractor who is convicted in a criminal proceeding for submitting false or fraudulent bills that are part of a claim for reimbursement under section 115C.09. The board may, in addition, impose one or more of the sanctions in paragraph (c).

(b) The board may impose sanctions under paragraph (c) on a consultant or contractor for any of the following reasons:

(1) engaging in conduct that departs from or fails to conform to the minimal standards of acceptable and prevailing engineering, hydrogeological, or other technical practices within the reasonable control of the consultant or contractor;

(2) participating in a kickback scheme prohibited under section 115C.045;

(3) engaging in conduct likely to deceive or defraud, or demonstrating a willful or careless disregard for public health or the environment;

(4) commission of fraud, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, or obstruction of justice; or

(5) revocation, suspension, restriction, limitation, or other disciplinary action against the contractor's or consultant's license or certification in another state or jurisdiction.

(c) The board may impose one or more of the following sanctions:

(1) remove a consultant or contractor from the registration list for up to five years;

(2) publicly reprimand or censure the consultant or contractor;

(3) place the consultant or contractor on probation for a period and upon terms and conditions the board prescribes;

(4) require payment of all costs of proceedings resulting in an action instituted under this paragraph; or

(5) impose a civil penalty of not more than \$10,000, in an amount that the board determines will deprive the consultant or contractor of any economic advantage gained by reason of the consultant's or contractor's conduct or to reimburse the board for the cost of the investigation and proceeding.

(d) In deciding whether a particular sanction is appropriate, the board must consider the seriousness of the consultant's or contractor's acts or omissions and any mitigating factors.

(e) Civil penalties recovered by the state under this section must be credited to the account.

Subd. 3. [NOTICE OF SANCTION.] The board must notify a consultant or contractor of a proposed sanction at least 30 days before the board meeting at which the proposed sanction will be considered. The notice must advise the consultant or contractor of:

(1) the fact that sanctions are being considered;

(2) the reasons for the proposed sanctions in terms sufficient to put the consultant or contractor on notice of the conduct on which the proposed sanctions are based;

(3) the reasons relied on under subdivision 2 for the proposed sanctions;

(4) the right to request a contested case hearing under chapter 14; and

(5) the potential effect of sanctions.

Subd. 4. [SANCTION ORDER.] The board may impose sanctions after a hearing before the board if a contested case hearing has not been requested. The board's sanction order is final. The sanctions are effective 30 days after the board issues its order.

Sec. 11. Minnesota Statutes 1990, section 116.48, is amended by adding a subdivision to read:

Subd. 8. [NOTICE OF TANK INSTALLATION OR REMOVAL.] Before beginning installation or removal of an underground tank system, owners and operators must notify the commissioner. Notification must be in writing or by telephone at least ten days before the

tank installation or removal. Owners and operators must renotify the commissioner if the date of the tank installation or removal changes by more than 48 hours. The notification must include the following information:

- (1) the name, address, and telephone number of the site owner;
- (2) the location of the site, if different from clause (1);
- (3) the date of the tank installation or removal; and
- (4) the name of the contractor or company that will install or remove the tank.

Sec. 12. [REPORT TO LEGISLATURE.]

The commissioners of the pollution control agency and commerce shall jointly prepare a report that:

- (1) describes the corrective action costs for which reimbursement has been paid under Minnesota Statutes, section 115C.09; and
- (2) lists reasonable charges for corrective action services, including consulting, contracting, and disposal services.

The report must be submitted by January 15, 1993, to the appropriate committees of the legislature."

Delete the title and insert:

"A bill for an act relating to the environment; adding sanctions and procedures relating to petroleum tank release consultants and contractors; requiring a report to the legislature; amending Minnesota Statutes 1990, sections 115C.01; 115C.02, subdivision 1, and by adding subdivisions; 115C.03, by adding a subdivision; 116.48, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 115C.09, subdivisions 5 and 7; proposing coding for new law in Minnesota Statutes, chapter 115C."

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

Senate Conferees: DALLAS C. SAMS, HAROLD "SKIP" R. FINN AND STEVEN G. NOVAK.

House Conferees: RICK KRUEGER, ANTHONY G. KINKEL AND DICK PELLOW.

Krueger moved that the report of the Conference Committee on S. F. No. 2430 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 2430, A bill for an act relating to the environment; adding sanctions and procedures relating to petroleum tank release consultants and contractors; amending Minnesota Statutes 1990, sections 115C.02, by adding subdivisions; 115C.03, by adding a subdivision; 116.48, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 115C.09, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 115C.

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

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

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

S. F. Nos. 2463, 2750, 2103, 2232, 2655 and 2781.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

S. F. Nos. 2012, 2662, 695, 2378 and 2316.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 2463, A bill for an act relating to insurance; solvency; making various technical corrections; requiring notice; regulating business transacted with a producer controlled insurer; modifying various provisions relating to the guaranty association; amending Minnesota Statutes 1990, sections 45.025, subdivision 2, as amended; 60A.03, subdivision 6; 60A.10, subdivision 4; 61B.03, subdivision 5; 61B.06, subdivision 7; and 61B.12, by adding subdivisions; Minnesota Statutes 1991 Supplement, sections 60A.031, subdivision 1; 60A.092, subdivision 3; 60A.11, subdivisions 13 and 20; 60A.112; 60A.12, subdivision 10; 60A.124; 60D.17, subdivision 1; 61A.28, subdivision 1; and 61B.12, subdivision 6; Laws 1991, chapter 325, article 5, section 6; proposing coding for new law in Minnesota Statutes, chapters 60C; and 60J; repealing Minnesota Statutes 1991 Supplement, sections 60J.01; 60J.02; 60J.03; 60J.04; 60J.05; and 72A.206.

The bill was read for the first time.

Skoglund moved that S. F. No. 2463 and H. F. No. 2688, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2750, A bill for an act relating to retirement; St. Paul fire department and police relief associations; increasing service pension amounts; limiting future benefit reductions; amending Laws 1955, chapters 151, section 9, subdivisions 5, as amended, and 6, as amended; and 375, sections 21, as amended, and 22, as amended.

The bill was read for the first time.

Farrell moved that S. F. No. 2750 and H. F. No. 2018, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2103, A bill for an act relating to drivers' licenses; increasing fees; requiring more secure cards; amending Minnesota Statutes 1990, section 171.06, subdivision 2.

The bill was read for the first time.

Simoneau moved that S. F. No. 2103 and H. F. No. 2867, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2232, A bill for an act relating to courts; requiring the state to reimburse counties for certain extradition expenses from any forfeited bail of the defendant or probationer that had been forwarded to the state treasury as required by law; amending Minnesota Statutes 1990, section 485.018, subdivision 5.

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

S. F. No. 2655, A bill for an act relating to agriculture; making certain political subdivisions of the state eligible for reimbursement from the agricultural chemical response and reimbursement account; amending Minnesota Statutes 1990, section 18E.02, subdivision 5.

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

S. F. No. 2781, A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

The bill was read for the first time.

Steensma moved that S. F. No. 2781 and H. F. No. 3020, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2012, A bill for an act relating to crimes; enforcing mandatory insurance requirement for vehicles; providing for penalties; providing for loss of driver's license and motor vehicle registration; appropriating money; amending Minnesota Statutes 1990, sections 169.791; 169.792; 169.793; 169.796; and 171.19; Minnesota Statutes 1991 Supplement, sections 168.041, subdivision 4; 169.795; 171.29, subdivision 1; and 171.30, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 169; repealing Minnesota Statutes 1990, section 169.792, subdivision 9; and Minnesota Statutes 1991 Supplement, section 168.041, subdivision 1a.

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

S. F. No. 2662, A bill for an act relating to commerce; regulating the real estate, education, research, and recovery fund; amending Minnesota Statutes 1990, sections 82.19, by adding a subdivision; and 82.34, subdivisions 3, 4, 7, 9, 11, 13, and 14; proposing coding for new law in Minnesota Statutes, chapter 80A; repealing Minnesota Statutes 1990, section 82.34, subdivision 20.

The bill was read for the first time.

Dawkins moved that S. F. No. 2662 and H. F. No. 2950, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 695, A bill for an act relating to transportation; making technical and clarifying changes; permitting a town board by resolution to take certain actions relating to abandoned roads; establishing comprehensive regulation of personal transportation service vehicles; defining terms; providing for maximum weight per inch of tire width; modifying axle weight limitations; allowing commissioner of transportation to adopt rules assessing administrative penalties for violations of special transportation service standards; providing for regulation of motor vehicles having a gross vehicle weight of 10,000 pounds or more and operated by motor carriers; requiring certain carriers to comply with rules on driver qualifications and maximum hours of service after August 1, 1994; applying federal regulations on drug testing to intrastate motor carriers; regulating transportation of hazardous materials, substances, and waste; specifying identification information required on power units; authorizing small fee for motor carrier identification stamps; regulating building movers; authorizing release of criminal history data for purposes of special transportation license endorsements; appropriating money; amending Minnesota Statutes 1990, sections 164.06; 168.011, by adding a subdivision; 169.01, subdivision 55; 169.825, subdivisions 11 and 14; 174.30, subdivision 2; 221.011, subdivisions 20, 21, 25, and by adding subdivisions; 221.021; 221.031, subdivisions 1, 2, 2a, 3, 3a, 6, and by adding subdivisions; 221.033, subdivisions 1, 2, and by adding subdivisions; 221.034, subdivisions 1 and 3; 221.035, subdivisions 1, 2, and by adding a subdivision; 221.121, subdivisions 1 and 7; 221.131, subdivisions 1, 2, and 6; 221.161, subdivision 1; 221.60, subdivision 2; 221.605, subdivision 1; and 221.81, subdivisions 2, 4, and by adding subdivisions; Minnesota Statutes 1991 Supplement, sections 169.781, subdivisions 1 and 5; 169.825, subdivisions 8 and 10; 169.86, subdivision 5; 221.025; 221.091; 221.84, subdivision 2; and 364.09; proposing coding for new law in Minnesota Statutes, chapters 168; and 221.

The bill was read for the first time.

Morrison moved that S. F. No. 695 and H. F. No. 804, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2378, A bill for an act relating to public safety; exempting newly installed automatic fire-safety sprinklers from sales and property taxes; amending Minnesota Statutes 1990, sections 273.11, by adding a subdivision; and 297A.25, by adding a subdivision.

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

S. F. No. 2316, A bill for an act relating to drivers' licenses; abolishing requirements to surrender driver's license under certain circumstances; revising driver's license classifications; making technical corrections; amending Minnesota Statutes 1990, sections 169.121, subdivision 7; 169.123, subdivision 5a; 169.14, subdivision 10; 171.11; and 171.22, subdivision 1; Minnesota Statutes 1991 Supplement, section 171.02, subdivisions 1 and 2; repealing Minnesota Statutes 1990, section 171.20, subdivision 1.

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

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1938:

Dawkins, Pugh and Swenson.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2181:

Carruthers, Swenson and Pugh.

Welle moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

Anderson, R., and Simoneau were excused while in conference.

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:

Madam Speaker:

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

H. F. No. 699, A bill for an act relating to retirement; judges retirement fund; eliminating the offset for a portion of social security benefits; amending Minnesota Statutes 1991 Supplement, section 490.123, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 355; repealing Minnesota Statutes 1990, section 490.129.

H. F. No. 2435, A bill for an act relating to the department of employee relations; public employment; removing a committee's expiration date; modifying retirement program options; expanding a bidding requirement exemption; amending Minnesota Statutes 1990, section 43A.316, subdivisions 4, 6, and 10; Minnesota Statutes 1991 Supplement, section 43A.316, subdivision 8; repealing Laws 1990, chapter 589, article 2, section 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam 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. 1910, A bill for an act relating to corporations; providing for the formation, organization, operation, taxation, management, and

ownership of limited liability companies; prescribing the procedures for filing articles of organization; establishing the powers of a limited liability company; providing for the naming of a limited liability company; providing for the appointment of a resident agent for a limited liability company; establishing the relationship of the members of a limited liability company to each other and to third parties; permitting the merger of one or more limited liability companies with other domestic limited liability companies and domestic and foreign corporations; providing for the dissolution, winding up, and termination of a limited liability company; providing for foreign limited liability companies to do business in this state; defining certain terms; amending Minnesota Statutes 1990, sections 211B.15, subdivision 1; 290.01, by adding a subdivision; 302A.011, subdivision 19; 302A.115, subdivision 1; 302A.121, subdivision 2; 302A.601, by adding a subdivision; 308A.005, subdivision 6; 308A.121, subdivision 1; 317A.011, subdivision 16; 317A.115, subdivision 2; 319A.02, subdivision 5, and by adding a subdivision; 319A.03; 319A.05; 319A.06, subdivision 2; 319A.07; 319A.12, subdivisions 1a and 2; 319A.20; 322A.01; 322A.02; 333.001; 333.18, subdivision 2; 333.20, subdivision 2; and 333.21, subdivision 1; Minnesota Statutes 1991 Supplement, sections 290.06, subdivision 22; 302A.471, subdivision 1; and 500.24, subdivision 3; proposing coding for new law as Minnesota Statutes, chapter 322B.

PATRICK E. FLAHAVEN, Secretary of the Senate

Rest moved that the House refuse to concur in the Senate amendments to H. F. No. 1910, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1910:

Rest, Abrams and Hasskamp.

The following Conference Committee Report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 2121

A bill for an act relating to education; providing for general education and related revenue, transportation, special programs, other aids, levies, and programs; appropriating money; amending Minnesota Statutes 1990, sections 120.101, subdivision 5; 120.102,

subdivision 1; 120.17, subdivisions 3a, 8a, 12, 14, 16, and by adding subdivisions; 121.148, subdivision 3; 121.11, by adding a subdivision; 121.16, subdivision 1; 121.935, by adding subdivisions; 122.22, by adding a subdivision; 122.23, subdivisions 13, 16, and by adding a subdivision; 122.247, subdivision 1; 122.531, subdivisions 1a, 2, 2a, 2b, and 2c; 122.532, subdivision 2; 123.35, by adding a subdivision; 123.3514, subdivisions 6, as amended, as reenacted, 6b, as amended, as reenacted, and by adding a subdivision; 123.39, subdivision 8d; 123.58, by adding a subdivision; 123.744, as amended, as reenacted; 124.243, subdivision 2, and by adding a subdivision; 124.2725, subdivision 13; 124.331, subdivisions 1 and 3; 124.431, by adding a subdivision; 124.493, subdivision 1; 124.494, subdivisions 2, 4, and 5; 124.73, subdivision 1; 124.83, subdivisions 2, 6, and by adding subdivisions; 124.85, subdivision 4; 124A.22, subdivision 2a, and by adding subdivisions; 124A.23, subdivision 3; 124A.26, subdivision 2, and by adding a subdivision; 124C.07; 124C.08, subdivision 2; 124C.09; 124C.61; 125.05, subdivisions 1, 7, and by adding subdivisions; 125.12, by adding a subdivision; 125.17, by adding a subdivision; 126.12, subdivision 2; 126.22, by adding a subdivision; 127.46; 128A.09, subdivision 2, and by adding a subdivision; 128C.01, subdivision 4; 128C.02, by adding a subdivision; 134.34, subdivision 1, and by adding a subdivision; 136C.69, subdivision 3; 136D.75; 182.666, subdivision 6; 275.125, subdivision 10, and by adding subdivisions; Minnesota Statutes 1991 Supplement, sections 120.062, subdivision 8a; 120.064, subdivision 4; 120.17, subdivisions 3b, 7a, and 11a; 120.181; 121.585, subdivision 3; 121.831; 121.904, subdivisions 4a and 4e; 121.912, subdivision 6; 121.932, subdivisions 2 and 5; 121.935, subdivisions 1 and 6; 122.22, subdivision 9; 122.23, subdivision 2; 122.242, subdivision 9; 122.243, subdivision 2; 122.531, subdivision 4a; 123.3514, subdivisions 4 and 11; 123.702, subdivisions 1, 1a, and 1b; 124.155, subdivision 2; 124.19, subdivisions 1, 1b, and 7; 124.195, subdivision 2; 124.214, subdivisions 2 and 3; 124.2601, subdivision 6; 124.2721, subdivision 3b; 124.2727, subdivision 6, and by adding subdivisions; 124.479; 124.493, subdivision 3; 124.646, subdivision 4; 124.83, subdivision 1; 124.95, subdivisions 1, 2, 3, 4, 5, and by adding a subdivision; 124A.03, subdivisions 1c, 2, 2a, and by adding a subdivision; 124A.23, subdivisions 1 and 4; 124A.24; 124A.26, subdivision 1; 124A.29, subdivision 1; 125.185, subdivisions 4 and 4a; 125.62, subdivision 6; 126.70; 135A.03, subdivision 3a; 136D.22, subdivision 3; 136D.71, subdivision 2; 136D.76, subdivision 2; 136D.82, subdivision 3; 245A.03, subdivision 2; 275.065, subdivision 1; 275.125, subdivisions 6j and 11g; 364.09; and 373.42, subdivision 2; Laws 1990, chapter 366, section 1, subdivision 2; Laws 1991, chapter 265, articles 3, section 39, subdivision 16; 4, section 30, subdivision 11; 5, sections 18, 23, and 24, subdivision 4; 6, sections 64, subdivision 6, 67, subdivision 3, and 68; 7, sections 37, subdivision 6, 41, subdivision 4, and 44; 8, sections 14 and 19, subdivision 6; and 9, sections 75 and 76; proposing coding for new law in Minnesota Statutes, chapters 123; 124; 124C; and 135A; repealing Minnesota Statutes 1990, sections 121.25; 121.26; 121.27; 121.28; 122.23, subdivisions 16a and 16b; 124.274; 125.03, subdivision 5; 128A.022, subdivision 5; 134.34, subdivision 2; 136D.74, subdivision 3; 136D.76, and

subdivision 3; Minnesota Statutes 1991 Supplement, sections 121.935, subdivisions 7 and 8; 123.35, subdivision 19; 124.2721, subdivisions 5a and 5b; 124.2727, subdivisions 1, 2, 3, 4, and 5; and 136D.90, subdivision 2; Laws 1990, chapters 562, article 12; 604, article 8, section 12; and 610, article 1, section 7, subdivision 4; and Laws 1991, chapter 265, article 9, section 73.

April 13, 1992

The Honorable Dee Long
Speaker of the House of Representatives

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 2121, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 2121 be further amended as follows:

Delete everything after the enacting clause and insert:

“ARTICLE 1 GENERAL EDUCATION

Section 1. Minnesota Statutes 1991 Supplement, section 121.904, subdivision 4a, is amended to read:

Subd. 4a. [LEVY RECOGNITION.] (a) “School district tax settlement revenue” means the current, delinquent, and manufactured home property tax receipts collected by the county and distributed to the school district, including distributions made pursuant to section 279.37, subdivision 7, and excluding the amount levied pursuant to sections 124.2721, subdivision 3; 124.575, subdivision 3; and 275.125, subdivision 9a; and Laws 1976, chapter 20, section 4.

(b) In June of each year, the school district shall recognize as revenue, in the fund for which the levy was made, the lesser of:

(1) the May, June, and July school district tax settlement revenue received in that calendar year; or

(2) the sum of the state aids and credits enumerated in section 124.155, subdivision 2, which are for the fiscal year payable in that fiscal year plus 37.0 an amount equal to the levy recognized as revenue in June of the prior year plus 50.0 percent of the amount of the levy certified in the prior calendar year according to section

124A.03, subdivision 2, plus or minus auditor's adjustments, not including levy portions that are assumed by the state; or

(3) ~~37.0~~ 50.0 percent of the amount of the levy certified in the prior calendar year, plus or minus auditor's adjustments, not including levy portions that are assumed by the state, which remains after subtracting, by fund, the amounts levied for the following purposes:

(i) reducing or eliminating projected deficits in the reserved fund balance accounts for unemployment insurance and bus purchases;

(ii) statutory operating debt pursuant to section 275.125, subdivision 9a, and Laws 1976, chapter 20, section 4; and

(iii) retirement and severance pay pursuant to sections 124.2725, subdivision 15, 124.4945, and 275.125, subdivisions 4 and 6a, and Laws 1975, chapter 261, section 4, article 6, section 13; and

(iv) amounts levied for bonds issued and interest thereon, amounts levied for debt service loans and capital loans, amounts levied for down payments under section 124.82, subdivision 3, and amounts levied pursuant to section 275.125, subdivision 14a.

(c) In July of each year, the school district shall recognize as revenue that portion of the school district tax settlement revenue received in that calendar year and not recognized as revenue for the previous fiscal year pursuant to clause (b).

(d) All other school district tax settlement revenue shall be recognized as revenue in the fiscal year of the settlement. Portions of the school district levy assumed by the state, including prior year adjustments and the amount to fund the school portion of the reimbursement made pursuant to section 273.425, shall be recognized as revenue in the fiscal year beginning in the calendar year for which the levy is payable.

Sec. 2. Minnesota Statutes 1991 Supplement, section 121.904, subdivision 4e, is amended to read:

Subd. 4e. [COOPERATION LEVY RECOGNITION.] (a) A cooperative district is a district or cooperative that receives revenue according to section 124.2721 or 124.575.

(b) In June of each year, the cooperative district shall recognize as revenue, in the fund for which the levy was made, the lesser of:

(1) the sum of the state aids and credits enumerated in section 124.155, subdivision 2, that are for the fiscal year payable in that fiscal year plus an amount equal to the levy recognized as revenue in June of the prior year; or

(2) ~~37.0~~ 50.0 percent of the difference between

(i) the sum of the amount of levies certified in the prior year according to sections 124.2721, subdivision 3, and 124.575, subdivision 3; and

(ii) the amount of ~~transition homestead and agricultural credit aid~~ paid to the cooperative unit according to section 273.1392 for the fiscal year to which the levy is attributable.

Sec. 3. Minnesota Statutes 1990, section 122.531, subdivision 2, is amended to read:

Subd. 2. [VOLUNTARY DISSOLUTION: REFERENDUM ~~LEVIES REVENUE~~.] As of the effective date of the voluntary dissolution of a district and its attachment to one or more existing districts pursuant to section 122.22, the authorization for all referendum ~~levies revenues~~ previously approved by the voters of all affected districts for those districts pursuant to section 124A.03, subdivision 2, or its predecessor provision, is canceled. However, if all of the territory of any independent district is included in the enlarged district, and if the adjusted net tax capacity of taxable property in that territory comprises 90 percent or more of the adjusted net tax capacity of all taxable property in an enlarged district, ~~the board of the enlarged district may levy the increased amount previously approved by a referendum in the preexisting independent district upon all taxable property in the enlarged district district's referendum revenue shall be determined as follows:~~

If the referendum revenue previously approved in the preexisting district is authorized as a tax rate, the referendum revenue in the enlarged district is the tax rate times the net tax capacity of the enlarged district. If referendum revenue previously approved in the preexisting district is authorized as revenue per actual pupil unit, the referendum revenue shall be the revenue per actual pupil unit times the number of actual pupil units in the enlarged district. If referendum revenue in the preexisting district is authorized both as a tax rate and as revenue per actual pupil unit, the referendum revenue in the enlarged district shall be the sum of both plus any referendum revenue in the preexisting district authorized as a dollar amount. Any new referendum levy revenue shall be certified authorized only after approval is granted by the voters of the entire enlarged district in an election pursuant to section 124A.03, subdivision 2.

Sec. 4. Minnesota Statutes 1990, section 122.531, subdivision 2a, is amended to read:

Subd. 2a. [CONSOLIDATION; MAXIMUM AUTHORIZED REFERENDUM ~~LEVIES REVENUES~~.] As of the effective date of a consolidation pursuant to section 122.23, if the plan for consolida-

tion so provides, or if the plan for consolidation makes no provision concerning referendum levies revenues, the authorization for all referendum levies revenues previously approved by the voters of all affected districts for those districts pursuant to section 124A.03, subdivision 2, or its predecessor provision shall be recalculated as provided in this subdivision. The referendum levy revenue authorization for the newly created district shall be the local net tax capacity rate that would raise an amount equal to the combined dollar amount of the referendum levies revenues authorized by each of the component districts for the year preceding the consolidation, unless the referendum levy revenue authorization of the newly created district is subsequently modified pursuant to section 124A.03, subdivision 2. If the referendum levy revenue authorizations for each of the component districts were limited to a specified number of years, the referendum levy revenue authorization for the newly created district shall continue for a period of time equal to the longest period authorized for any component district. If the referendum levy revenue authorization of any component district is not limited to a specified number of years, the referendum levy revenue authorization for the newly created district shall not be limited to a specified number of years.

Sec. 5. Minnesota Statutes 1990, section 122.531, subdivision 2b, is amended to read:

Subd. 2b. [ALTERNATIVE METHOD.] As of the effective date of a consolidation pursuant to section 122.23, if the plan for consolidation so provides, the authorization for all referendum levies revenues previously approved by the voters of all affected districts for those districts pursuant to section 124A.03, subdivision 2, or its predecessor provision shall be combined as provided in this subdivision. The referendum levy revenue authorization for the newly created district may be any local tax rate allowance per actual pupil unit provided in the plan for consolidation, but may not exceed the local tax rate allowance per actual pupil unit that would raise an amount equal to the combined dollar amount of the referendum levies revenues authorized by each of the component districts for the year preceding the consolidation. If the referendum levy revenue authorizations for each of the component districts were limited to a specified number of years, the referendum levy revenue authorization for the newly created district shall continue for a period of time equal to the longest period authorized for any component district. If the referendum levy revenue authorization of any component district is not limited to a specified number of years, the referendum levy revenue authorization for the newly created district shall not be limited to a specified number of years. The referendum levy revenue authorization for the newly created district may be modified pursuant to section 124A.03, subdivision 2.

Sec. 6. Minnesota Statutes 1990, section 124.155, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT OF ADJUSTMENT.] Each year state aids and credits enumerated in subdivision 2 payable to any school district, education district, or secondary vocational cooperative for that fiscal year shall be adjusted, in the order listed, by an amount equal to (1) the amount the district, education district, or secondary vocational cooperative recognized as revenue for the prior fiscal year pursuant to section 121.904, subdivision 4a, clause (b), plus revenue recognized according to section 121.904, subdivision 4e, minus (2) the amount the district recognizes as revenue for the current fiscal year pursuant to section 121.904, subdivision 4a, clause (b), plus revenue recognized according to section 121.904, subdivision 4e. For the purposes of making the aid adjustment under this subdivision, the amount the district recognizes as revenue for either the prior fiscal year or the current fiscal year pursuant to section 121.904, subdivision 4a, clause (b), plus revenue recognized according to section 121.904, subdivision 4e, shall not include any amount levied pursuant to section 124A.03, subdivision 2, and 275.125, subdivisions 5, 6e, 6i, 6k, and 24; article 6, sections 29 and 36; article 12, section 25; and section 20 of this article. Payment from the permanent school fund shall not be adjusted pursuant to this section. The school district shall be notified of the amount of the adjustment made to each payment pursuant to this section.

Sec. 7. Minnesota Statutes 1991 Supplement, section 124.195, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] (a) The term "other district receipts" means payments by county treasurers pursuant to section 276.10, apportionments from the school endowment fund pursuant to section 124.09, apportionments by the county auditor pursuant to section 124.10, subdivision 2, and payments to school districts by the commissioner of revenue pursuant to chapter 298.

(b) The term "cumulative amount guaranteed" means the sum of the following:

(1) one-third of the final adjustment payment according to subdivision 6; plus

(2) the product of

(i) the cumulative disbursement percentage shown in subdivision 3; times

(ii) the sum of

85 percent of the estimated aid and credit entitlements paid according to subdivision 10; plus

100 percent of the entitlements paid according to subdivisions 8 and 9; plus

the other district receipts; plus

the final adjustment payment according to subdivision 6.

(c) The term "payment date" means the date on which state payments to school districts are made by the electronic funds transfer method. If a payment date falls on a Saturday, ~~the payment shall be made on the immediately preceding business day.~~ If a payment date falls on a Sunday, ~~the payment shall be made on the immediately following business day.~~ If a payment date falls on or a weekday which is a legal holiday, the payment shall be made on the ~~immediately preceding~~ following business day. The commissioner of education may make payments on dates other than those listed in subdivision 3, but only for portions of payments from any preceding payment dates which could not be processed by the electronic funds transfer method due to documented extenuating circumstances.

Sec. 8. Minnesota Statutes 1991 Supplement, section 124.195, subdivision 3a, is amended to read:

Subd. 3a. [APPEAL.] The commissioner in consultation with the commissioner of finance may revise the payment dates and percentages in subdivision 3 for a district if it is determined that there is an emergency or there are serious cash flow problems in the district that cannot be resolved by issuing warrants or other forms of indebtedness or if the commissioner determines that excessive short-term borrowing costs will be incurred by a district, because of the increase in the levy recognition percentage from 37 percent to 50 percent according to sections 1 and 2, and the district can document substantial harm to instructional programs due to these costs. The commissioner shall establish a process and criteria for school districts to appeal the payment dates and percentages established in subdivision 3.

Sec. 9. [124.197] [SHORT-TERM BORROWING COST REIMBURSEMENT AID.]

Subdivision 1. [FROM 1993 AND THEREAFTER.] Beginning in fiscal year 1993, the commissioner of education shall pay aid to eligible school districts to reimburse them for costs of short-term borrowing.

Subd. 2. [DOCUMENTATION.] Short-term borrowing cost reimbursement aid shall only be paid to a school district providing documentation to the commissioner of education demonstrating that it engaged in short-term borrowing during the fiscal year for which it is requesting reimbursement. The commissioner shall determine

and define specific data that districts must provide and establish the due date for submission. Any district not submitting required data by the due date will be excluded from the aid calculations for that year.

Subd. 3. [DEFINITION.] For purposes of this section, "cash need" equals the difference between estimated cumulative expenditures and estimated cumulative receipts calculated in a manner consistent with sections 124.155 and 124.195, less the amount of cash balance determined according to section 124.196.

Subd. 4. [COMPUTATION.] The maximum short-term borrowing cost reimbursement aid for a fiscal year shall be the smaller of:

(1) documented short-term borrowing costs; or

(2) the sum of the products of:

(i) a semimonthly short-term borrowing interest rate estimated by the commissioner of finance, times

(ii) the positive semimonthly differences between:

(a) the cash need estimated in a manner consistent with sections 124.155 and 124.195, assuming the revenue recognition percent specified in section 121.904, subdivisions 4a and 4e, is 50 percent; and the schedules and criteria for aid and credit payments in section 124.195; and

(b) the cash need estimated in a manner consistent with sections 124.155 and 124.195, assuming the revenue recognition percent specified in section 121.904, subdivision 4a, is 37 percent; the schedules and criteria for aid and credit payments in section 124.195. The cash need calculations required for determining the short-term borrowing cost reimbursement aid are to be based on the data used in accordance with the state aid payment calculations required by section 124.195 for the May 30 payment period. The commissioner of education may adjust the May 30 data for updated information as is appropriate.

Subd. 5. [PAYMENT.] The short-term borrowing cost reimbursement aid shall be paid in full to eligible districts on or before June 30 of each fiscal year.

Subd. 6. [APPROPRIATION.] There is annually appropriated to the commissioner of education the amount needed to pay short-term borrowing cost reimbursement aid as established in this section.

Sec. 10. [124A.029] [REFERENDUM AND DESEGREGATION REVENUE CONVERSION.]

Subdivision 1. [REVENUE CONVERSION.] Except as provided under subdivision 4, the referendum authority under section 124A.03 and the levy authority under section 275.125, subdivisions 6e and 6i, of a school district must be converted by the department according to this section.

Subd. 2. [ADJUSTMENT RATIO.] For assessment years 1991, 1992, and 1993, the commissioner of revenue must determine for each school district a ratio equal to:

(1) the net tax capacity for taxable property in the district determined by applying the property tax class rates for assessment year 1990 to the market values of taxable property for each assessment year, divided by

(2) the net tax capacity of the district for the assessment year.

Subd. 3. [RATE ADJUSTMENT.] The department shall adjust a school district's referendum authority for a referendum approved before July 1, 1991, excluding authority based on a dollar amount, and the levy authority under section 275.125, subdivisions 6e and 6i, by multiplying the sum of the rates authorized by a district under section 124A.03 and the rates in section 275.125, subdivisions 6e and 6i, by the ratio determined under subdivision 2 for the assessment year for which the revenue is attributable. The adjusted rates for assessment year 1993 shall apply to later years for which the revenue is authorized.

Subd. 4. [PER PUPIL REVENUE OPTION.] A district may, by school board resolution, request that the department convert the levy authority under section 275.125, subdivisions 6e and 6i, or its current referendum revenue, excluding authority based on a dollar amount, authorized before July 1, 1991, to an allowance per pupil. The district must adopt a resolution and submit a copy of the resolution to the department by July 1, 1992. The department shall convert a district's revenue for fiscal year 1994 and later years as follows: the revenue allowance equals the amount determined by dividing the district's maximum revenue under section 124A.03 or 275.125, subdivisions 6e and 6i, for fiscal year 1993 by the district's 1992-1993 actual pupil units. A district's maximum revenue for all later years for which the revenue is authorized equals the revenue allowance times the district's actual pupil units for that year. If a district has referendum authority under section 124A.03 and levy authority under section 275.125, subdivisions 6e and 6i, and the district requests that each be converted, the department shall convert separate revenue allowances for each. However, if a district's referendum revenue is limited to a dollar amount, the maximum revenue under section 124A.03 must not exceed that dollar amount. If the referendum authority of a district is converted according to this subdivision, the authority expires July 1, 1997, unless it is scheduled to expire sooner.

Sec. 11. Minnesota Statutes 1991 Supplement, section 124A.03, subdivision 1c, is amended to read:

Subd. 1c. [REFERENDUM ALLOWANCE LIMIT.] Notwithstanding subdivision 1b, a district's referendum allowance must not exceed the greater of:

- (1) the district's referendum allowance for fiscal year 1992; or
- (2) the district's referendum allowance for fiscal year 1993;
- (3) 35 30 percent of the formula allowance for ~~that~~ the fiscal year for which it is attributable; or
- (4) for a district that held a successful referendum levy election in calendar year 1991, 35 percent of the formula allowance for the fiscal year to which it is attributable.

Sec. 12. Minnesota Statutes 1991 Supplement, section 124A.03, subdivision 2, is amended to read:

Subd. 2. [REFERENDUM REVENUE.] (a) The revenue authorized by section 124A.22, subdivision 1, may be increased in the amount approved by the voters of the district at a referendum called for the purpose. The referendum may be called by the school board or shall be called by the school board upon written petition of qualified voters of the district. The referendum shall be conducted during the calendar year before the increased levy authority, if approved, first becomes payable. Only one election to approve an increase may be held in a calendar year. Unless the referendum is conducted by mail under paragraph (g), the referendum must be held on the first Tuesday after the first Monday in November. The ballot shall state the maximum amount of the increased revenue per actual pupil unit, the estimated net tax capacity referendum tax rate as a percentage of market value in the first year it is to be levied, and that the revenue shall be used to finance school operations. The ballot may state that existing referendum levy authority is expiring. In this case, the ballot may also compare the proposed levy authority to the existing expiring levy authority, and express the proposed increase as the amount, if any, over the expiring referendum levy authority. The ballot shall designate the specific number of years, not to exceed five, for which the referendum authorization shall apply. The ballot may contain a textual portion with the information required in this subdivision and a question stating substantially the following:

"Shall the increase in the revenue proposed by (petition to) the board of, School District No. ..., be approved?"

If approved, an amount equal to the approved revenue per actual

pupil unit times the actual pupil units for the school year beginning in the year after the levy is certified shall be authorized for certification for the number of years approved, if applicable, or until revoked or reduced by the voters of the district at a subsequent referendum.

(b) The school board shall prepare and deliver by first class mail at least 15 days but no more than 30 days prior to the day of the referendum to each taxpayer at the address listed on the school district's current year's assessment roll, a notice of the referendum and the proposed revenue increase. For the purpose of giving mailed notice under this subdivision, owners shall be those shown to be owners on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer. Every property owner whose name does not appear on the records of the county auditor or the county treasurer shall be deemed to have waived this mailed notice unless the owner has requested in writing that the county auditor or county treasurer, as the case may be, include the name on the records for this purpose. The notice must project the anticipated amount of tax increase in annual dollars and annual percentage for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the school district.

The notice for a referendum may state that an existing referendum levy is expiring and project the anticipated amount of increase over the existing referendum levy, if any, in annual dollars and annual percentage for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the school district.

The notice must include the following statement: "Passage of this referendum will result in an increase in your property taxes."

(c) A referendum on the question of revoking or reducing the increased revenue amount authorized pursuant to paragraph (a) may be called by the school board and shall be called by the school board upon the written petition of qualified voters of the district. A referendum to revoke or reduce the levy amount must be based upon the dollar amount, local tax rate, or amount per actual pupil unit, that was stated to be the basis for the initial authorization. Revenue approved by the voters of the district pursuant to paragraph (a) must be received at least once before it is subject to a referendum on its revocation or reduction for subsequent years. Only one revocation or reduction referendum may be held to revoke or reduce referendum revenue for any specific year and for years thereafter.

(d) A petition authorized by paragraph (a) or (c) shall be effective if signed by a number of qualified voters in excess of 15 percent of the registered voters of the school district on the day the petition is

filed with the school board. A referendum invoked by petition shall be held on the date specified in paragraph (a).

(e) The approval of 50 percent plus one of those voting on the question is required to pass a referendum authorized by this subdivision.

(f) At least 15 days prior to the day of the referendum, the district shall submit a copy of the notice required under paragraph (b) to the commissioner of education. Within 15 days after the results of the referendum have been certified by the school board, or in the case of a recount, the certification of the results of the recount by the canvassing board, the district shall notify the commissioner of education of the results of the referendum.

(g) Any referendum under this section held on a day other than the first Tuesday after the first Monday in November must be conducted by mail in accordance with section 204B.46. Notwithstanding paragraph (b) to the contrary, in the case of a referendum conducted by mail under this paragraph, the notice required by paragraph (b) shall be prepared and delivered by first class mail at least 20 days before the referendum.

Sec. 13. Minnesota Statutes 1991 Supplement, section 124A.03, subdivision 2a, is amended to read:

Subd. 2a. [SCHOOL REFERENDUM LEVY; MARKET VALUE.] Notwithstanding the provisions of subdivision 2, a school referendum levy approved after November 1, 1992, for taxes payable in 1993 and thereafter, shall be levied against the market value of all taxable property. Any referendum levy amount subject to the requirements of this subdivision shall be certified separately to the county auditor under section 275.07.

~~The ballot shall state the maximum amount of the increased levy as a percentage of market value, the amount that will be raised by that new school referendum tax rate in the first year it is to be levied, and that the new school referendum tax rate shall be used to finance school operations.~~

~~If approved, the amount provided by the new school referendum tax rate applied to the market value for the year preceding the year the levy is certified, shall be authorized for certification for the number of years approved, if applicable, or until revoked or reduced by the voters of the district at a subsequent referendum.~~

All other provisions of subdivision 2 that do not conflict with this subdivision shall apply to referendum levies under this subdivision.

Sec. 14. Minnesota Statutes 1991 Supplement, section 124A.03, is amended by adding a subdivision to read:

Subd. 2b. [REFERENDUM DATE.] In addition to the referenda allowed in subdivision 2, clause (g), the commissioner may authorize a referendum for a different day.

(a) The commissioner may grant authority to a district to hold a referendum on a different day if the district is in statutory operating debt and has an approved plan or has received an extension from the department to file a plan to eliminate the statutory operating debt.

(b) The commissioner must approve, deny, or modify each district's request for a referendum levy on a different day within 60 days of receiving the request from a district.

Sec. 15. Minnesota Statutes 1991 Supplement, section 124A.23, subdivision 1, is amended to read:

Subdivision 1. [GENERAL EDUCATION TAX RATE.] The commissioner of revenue shall establish the general education tax rate and certify it to the commissioner of education by July 1 of each year for levies payable in the following year. The general education tax capacity rate shall be a rate, rounded up to the nearest tenth of a percent, that, when applied to the adjusted net tax capacity for all districts, raises the amount specified in this subdivision. The general education tax rate shall be the rate that raises \$916,000,000 for fiscal year 1993 and ~~\$961,800,000~~ \$969,800,000 for fiscal year 1994 and later fiscal years. The general education tax rate certified by the commissioner of revenue may not be changed due to changes or corrections made to a district's adjusted net tax capacity after the tax rate has been certified.

Sec. 16. Minnesota Statutes 1991 Supplement, section 124A.26, subdivision 1, is amended to read:

Subdivision 1. [REVENUE REDUCTION.] A district's general education revenue for a school year shall be reduced if the estimated net unappropriated operating fund balance as of June 30 in the prior school year exceeds \$600 times the fund balance pupil units in the prior year. For purposes of this subdivision ~~only~~ and section 124.243, subdivision 2, fund balance pupil units means the number of resident pupil units in average daily membership, including shared time pupils, according to section 124A.02, subdivision 20, plus

(1) pupils attending the district for which general education aid adjustments are made according to section 124A.036, subdivision 5; minus

(2) the sum of the resident pupils attending other districts for

which general education aid adjustments are made according to section 124A.036, subdivision 5, plus pupils for whom payment is made according to section 126.22, subdivision 8, or 126.23. The amount of the reduction shall equal the lesser of:

- (1) the amount of the excess, or
- (2) \$150 times the actual pupil units for the school year.

The final adjustment payments made under section 124.195, subdivision 6, must be adjusted to reflect actual net operating fund balances as of June 30 of the prior school year.

Sec. 17. Minnesota Statutes 1990, section 124A.26, is amended by adding a subdivision to read:

Subd. 1a. [ALTERNATIVE REDUCTION CALCULATION.] For any district where the ratio of (1) the number of nonpublic students ages 5 to 18, according to the report required under section 120.102, to (2) the total number of residents in the district ages 5 to 18 as counted according to the annual fall school census is greater than 40 percent, the district's net unappropriated operating fund balance for that year for the purpose of calculating the fund balance reduction under this section is equal to the sum of the district's net unappropriated fund balance in the general, transportation, and food service funds.

Sec. 18. Minnesota Statutes 1991 Supplement, section 124A.29, subdivision 1, is amended to read:

Subdivision 1. [STAFF DEVELOPMENT AND PARENTAL INVOLVEMENT PROGRAMS.] (a) Of a district's basic revenue under section 124A.22, subdivision 2, an amount equal to \$15 times the number of actual pupil units shall be reserved and may be used only to provide staff time for peer review under section 125.12 or 125.17 or staff development programs for, including outcome-based education, according to under section 126.70, subdivisions 1 and 2a. Staff development revenue may be used only for staff time for peer review or outcome-based education activities. The school board shall determine the staff development activities to provide, the manner in which they will be provided, and the extent to which other local funds may be used to supplement staff development activities that implement outcome-based education.

(b) Of a district's basic revenue under section 124A.22, subdivision 2, an amount equal to \$5 times the number of actual pupil units must be reserved and may be used only to provide parental involvement programs that implement section 124C.61. A district may use up to \$1 of the \$5 times the number of actual pupil units for promoting parental involvement in the PER process.

Sec. 19. Minnesota Statutes 1991 Supplement, section 126.70, is amended to read:

126.70 [STAFF DEVELOPMENT PLAN.]

Subdivision 1. [ELIGIBILITY FOR REVENUE.] A school board may use the revenue authorized in section 124A.29 ~~for staff time for peer review under section 125.12 or 125.17, or if it establishes an outcome-based~~ a staff development advisory committee and adopts a staff development plan ~~on outcome-based education according to~~ under this subdivision. A majority of the advisory committee must be teachers representing various grade levels and subject areas. The advisory committee must also include parents and administrators. The advisory committee shall develop a staff development plan ~~containing proposed outcome-based education activities and that includes related expenditures and shall submit the plan to the school board. If the school board approves the plan, the district may use the staff development revenue authorized in section 124A.29. Copies of approved plans must be submitted to the commissioner. Districts must submit approved plans to the commissioner.~~

Subd. 2. [CONTENTS OF THE PLAN.] The plan may include:

(1) procedures the district will use to analyze ~~outcome-based~~ education needs;

(2) integration methods for integrating education needs with in-service and curricular efforts already in progress;

(3) education goals to be achieved and the means to be used achieve the goals; and

(4) procedures for evaluating progress toward meeting education needs and goals.

Subd. 2a. [PERMITTED USES.] A school board may approve a plan to accomplish any of the following purposes:

(1) foster readiness for ~~outcome-based education by increasing knowledge and understanding of and commitment to outcome-based education learning~~;

(2) facilitate organizational changes by enabling a site-based team composed of pupils, parents, school personnel, and community members to address pupils' needs ~~through outcome-based education~~;

(3) develop programs to increase pupils' educational progress by developing appropriate outcomes and personal learning plans goals and by encouraging pupils and their parents to assume responsibility for their education;

(4) design and develop ~~outcome-based education~~ programs containing various instructional opportunities that recognize pupils' individual needs and utilize family and community resources;

(5) evaluate the effectiveness of ~~outcome-based education~~ policies, processes, and products through appropriate evaluation procedures that include multiple criteria and indicators; and

(6) provide staff time for peer review of probationary, continuing contract, and nonprobationary teachers.

Sec. 20. [LOW FUND BALANCE LEVY.]

(a) For 1992 taxes payable in 1993, a district meeting the qualifications in paragraph (b) may levy an amount not to exceed \$40 times the number of actual pupil units in the district in fiscal year 1993.

(b) a district qualifies for a levy under this section if:

(1) its net unappropriated operating fund balance on June 30, 1991, divided by its actual pupil units for fiscal year 1993 is less than \$85;

(2) its adjusted net tax capacity used to compute fiscal year 1993 general education revenue divided by its fiscal year 1993 actual pupil units is less than \$2,100; and

(3) it does not have referendum levy authority under Minnesota Statutes, section 124A.03.

Sec. 21. [APPROPRIATION REDUCTIONS.]

For fiscal year 1993, appropriations to the department of education in Laws 1991, chapter 265, and appropriations for any property tax aid or credit paid to school districts from the state's general fund pursuant to Minnesota Statutes, chapter 273, shall be reduced by a combined total of \$182,700,000 in a manner consistent with Minnesota Statutes, section 124.155, subdivision 2.

Sec. 22. [LEVY RECOGNITION DIFFERENCES.]

For each school district that levies under Minnesota Statutes, section 124A.03, the commissioner of education shall calculate the difference between:

(1) the amount of the levy, under Minnesota Statutes, section 124A.03, that is recognized as revenue for fiscal year 1993 according to section 1; and

(2) the amount of the levy, under Minnesota Statutes, section 124A.03, that would have been recognized as revenue for fiscal year 1993 had the percentage according to section 1 not been increased.

The commissioner shall reduce other aids due the district by the amount of the difference.

Sec. 23. [BORROWING AGAINST LEVIES.]

The limit for borrowing money upon negotiable tax anticipation certificates of indebtedness, according to Minnesota Statutes, section 124.73, subdivision 1, is increased from 50 to 75 percent for certificates or warrants issued before July 1, 1993.

Sec. 24. [EFFECTIVE DATES.]

Section 12 is effective retroactively to February 1, 1992, applies to any referenda conducted in 1992 and thereafter, and supersedes any enactment affecting school district referendum levies during the 1992 legislative session to the extent any enactment is to the contrary.

Sections 13 and 14 are effective the day following final enactment.

Section 16 is effective the day following final enactment and applies to 1991-1992 and later school years.

Section 17 is effective retroactively to July 1, 1990, and applies to 1990-1991 and later school years.

ARTICLE 2

TRANSPORTATION

Section 1. Minnesota Statutes 1990, section 123.39, subdivision 8d, is amended to read:

Subd. 8d. School districts may provide bus transportation along regular school bus routes when space is available for participants in early childhood family education programs and learning readiness program if these services do not result in an increase in the district's expenditures for transportation. The costs allocated to these services, as determined by generally accepted accounting principles, shall be considered part of the authorized cost for regular transportation for the purposes of section 124.225.

Sec. 2. Minnesota Statutes 1990, section 275.125, is amended by adding a subdivision to read:

Subd. 5i. [TRANSPORTATION LEVY FOR LATE ACTIVITY BUS.] (a) A school district may levy an amount equal to the lesser of:

(1) the actual cost of late transportation home from school, between schools within a district, or between schools in one or more districts that have an agreement under sections 122.241 to 122.248, 122.535, 122.541, or 124.494, for pupils involved in after school activities for the school year beginning in the year the levy is certified; or

(2) two percent of the district's regular transportation revenue for that school year according to section 124.225, subdivision 7d, paragraph (a).

(b) A district that levies under this section must provide late transportation home from school for students participating in any academic-related activities provided by the district if transportation is provided for students participating in athletic activities.

(c) A district may levy under this subdivision only if the district provided late transportation home from school during fiscal year 1991.

ARTICLE 3

SPECIAL PROGRAMS

Section 1. Minnesota Statutes 1990, section 120.17, subdivision 2, is amended to read:

Subd. 2. [METHOD OF SPECIAL INSTRUCTION.] (a) Special instruction and services for handicapped children must be based on the assessment and individual education plan. The instruction and services may be provided by one or more of the following methods:

~~(a)~~ (1) connection with attending regular elementary and secondary school classes;

~~(b)~~ (2) establishment of special classes;

~~(c)~~ (3) at the home or bedside of the child;

~~(d)~~ (4) in other districts;

~~(e)~~ (5) instruction and services by special education cooperative centers established under this section, or in another member district of the cooperative center to which the resident district of the handicapped child belongs;

~~(f)~~ (6) in a state residential school or a school department of a state institution approved by the commissioner;

~~(g)~~ (7) in other states;

~~(h)~~ (8) by contracting with public, private or voluntary agencies;

~~(i)~~ (9) for children under age five and their families, programs and services established through collaborative efforts with other agencies;

~~(j)~~ (10) for children under age five and their families, programs in which handicapped children are served with nonhandicapped children; and

~~(k)~~ (11) any other method approved by the commissioner.

(b) Preference shall be given to providing special instruction and services to children under age three and their families in the residence of the child with the parent or primary caregiver, or both, present.

(c) The primary responsibility for the education of a handicapped child shall remain with the district of the child's residence regardless of which method of providing special instruction and services is used. The district of residence must inform the parents of the child about the methods of instruction that are available.

(d) Paragraphs (e) to (i) may be cited as the "blind persons' literacy rights and education act."

(e) The following definitions apply to paragraphs (f) to (i).

"Blind student" means an individual who is eligible for special educational services and who:

(1) has a visual acuity of 20/200 or less in the better eye with correcting lenses or has a limited field of vision such that the widest diameter subtends an angular distance of no greater than 20 degrees; or

(2) has a medically indicated expectation of visual deterioration.

"Braille" means the system of reading and writing through touch commonly known as standard English Braille.

"Individualized education plan" means a written statement developed for a student eligible for special education and services pursuant to this section and section 602(a)(20) of part A of the Individuals

with Disabilities Education Act, 20 United States Code, section 1401(a).

(f) In developing an individualized education plan for each blind student the presumption must be that proficiency in Braille reading and writing is essential for the student to achieve satisfactory educational progress. The assessment required for each student must include a Braille skills inventory, including a statement of strengths and deficits. Braille instruction and use are not required by this paragraph if, in the course of developing the student's individualized education program, team members concur that the student's visual impairment does not affect reading and writing performance commensurate with ability. This paragraph does not require the exclusive use of Braille if other special education services are appropriate to the student's educational needs. The provision of other appropriate services does not preclude Braille use or instruction. Instruction in Braille reading and writing shall be available for each blind student for whom the multidisciplinary team has determined that reading and writing is appropriate.

(g) Instruction in Braille reading and writing must be sufficient to enable each blind student to communicate effectively and efficiently with the same level of proficiency expected of the student's peers of comparable ability and grade level.

(h) The student's individualized education plan must specify:

(1) the results obtained from the assessment required under paragraph (f);

(2) how Braille will be implemented through integration with other classroom activities;

(3) the date on which Braille instruction will begin;

(4) the length of the period of instruction and the frequency and duration of each instructional session;

(5) the level of competency in Braille reading and writing to be achieved by the end of the period and the objective assessment measures to be used; and

(6) if a decision has been made under paragraph (f) that Braille instruction or use is not required for the student:

(i) a statement that the decision was reached after a review of pertinent literature describing the educational benefits of Braille instruction and use; and

(ii) a specification of the evidence used to determine that the

student's ability to read and write effectively without Braille is not impaired.

(i) Instruction in Braille reading and writing is a service for the purpose of special education and services under section 120.17.

(j) Paragraphs (e) to (i) shall not be construed to supersede any rights of a parent or guardian of a child with a disability under federal or state law.

Sec. 2. Minnesota Statutes 1990, section 120.17, subdivision 3a, is amended to read:

Subd. 3a. [SCHOOL DISTRICT OBLIGATIONS.] Every district shall ensure that:

(1) ~~all handicapped children~~ students with disabilities are provided the special instruction and services which are appropriate to their needs. The student's needs and the special education instruction and services to be provided shall be agreed upon through the development of an individual education plan. The plan shall address the student's need to develop skills to live and work as independently as possible within the community. By grade 9 or age 14, the plan shall address the student's needs for transition from secondary services to post-secondary education and training, employment, ~~and~~ community participation, recreation, and leisure and home living. The plan must include a statement of the needed transition services, including a statement of the interagency responsibilities or linkages or both before secondary services are concluded;

(2) handicapped children under age five and their families are provided special instruction and services appropriate to the child's level of functioning and needs;

(3) handicapped children and their parents or guardians are guaranteed procedural safeguards and the right to participate in decisions involving identification, assessment and educational placement of handicapped children;

(4) to the maximum extent appropriate, handicapped children, including those in public or private institutions or other care facilities, are educated with children who are not handicapped, and that special classes, separate schooling, or other removal of handicapped children from the regular educational environment occurs only when and to the extent that the nature or severity of the handicap is such that education in regular classes with the use of supplementary services cannot be achieved satisfactorily;

(5) in accordance with recognized professional standards, testing and evaluation materials, and procedures utilized for the purposes of

classification and placement of handicapped children are selected and administered so as not to be racially or culturally discriminatory; and

(6) the rights of the child are protected when the parents or guardians are not known or not available, or the child is a ward of the state.

Sec. 3. Minnesota Statutes 1991 Supplement, section 120.17, subdivision 3b, is amended to read:

Subd. 3b. [PROCEDURES FOR DECISIONS.] Every district shall utilize at least the following procedures for decisions involving identification, assessment, and educational placement of handicapped children:

(a) Parents and guardians shall receive prior written notice of:

(1) any proposed formal educational assessment or proposed denial of a formal educational assessment of their child;

(2) a proposed placement of their child in, transfer from or to, or denial of placement in a special education program; or

(3) the proposed provision, addition, denial or removal of special education services for their child;

(b) The district shall not proceed with the initial formal assessment of a child, the initial placement of a child in a special education program, or the initial provision of special education services for a child without the prior written consent of the child's parent or guardian. The refusal of a parent or guardian to consent may be overridden by the decision in a hearing held pursuant to clause (e) at the district's initiative;

(c) Parents and guardians shall have an opportunity to meet with appropriate district staff in at least one conciliation conference if they object to any proposal of which they are notified pursuant to clause (a). The conciliation process shall not be used to deny or delay a parent or guardian's right to a due process hearing. If the parent or guardian refuses efforts by the district to conciliate the dispute with the school district, the requirement of an opportunity for conciliation shall be deemed to be satisfied;

(d) The commissioner shall establish a mediation process to assist parents, school districts, or other parties to resolve disputes arising out of the identification, assessment, or educational placement of handicapped children. The mediation process must be offered as an informal alternative to the due process hearing provided under

clause (e), but must not be used to deny or postpone the opportunity of a parent or guardian to obtain a due process hearing.

(e) Parents, guardians, and the district shall have an opportunity to obtain an impartial due process hearing initiated and conducted by and in the school district responsible for assuring that an appropriate program is provided in accordance with state board rules, if the parent or guardian continues to object to:

(1) a proposed formal educational assessment or proposed denial of a formal educational assessment of their child;

(2) the proposed placement of their child in, or transfer of their child to a special education program;

(3) the proposed denial of placement of their child in a special education program or the transfer of their child from a special education program;

(4) the proposed provision or addition of special education services for their child; or

(5) the proposed denial or removal of special education services for their child.

At least five calendar days before the hearing, the objecting party shall provide the other party with a brief written statement of the objection and the reasons for the objection.

The hearing shall take place before an impartial hearing officer mutually agreed to by the school board and the parent or guardian. If the school board and the parent or guardian are unable to agree on a hearing officer, the school board shall request the commissioner to appoint a hearing officer. The hearing officer shall not be a school board member or employee of the school district where the child resides or of the child's school district of residence, an employee of any other public agency involved in the education or care of the child, or any person with a personal or professional interest which would conflict with the person's objectivity at the hearing. A person who otherwise qualifies as a hearing officer is not an employee of the district solely because the person is paid by the district to serve as a hearing officer. If the hearing officer requests an independent educational assessment of a child, the cost of the assessment shall be at district expense. The proceedings shall be recorded and preserved, at the expense of the school district, pending ultimate disposition of the action.

(f) The decision of the hearing officer pursuant to clause (e) shall be rendered not more than 45 calendar days from the date of the receipt of the request for the hearing. A hearing officer may grant

specific extensions of time beyond the 45-day period at the request of either party. The decision of the hearing officer shall be binding on all parties unless appealed to the hearing review officer by the parent, guardian, or the school board of the district where the child resides pursuant to clause (g).

The local decision shall:

(1) be in writing;

(2) state the controlling facts upon which the decision is made in sufficient detail to apprise the parties and the hearing review officer of the basis and reason for the decision;

(3) state whether the special education program or special education services appropriate to the child's needs can be reasonably provided within the resources available to the responsible district or districts;

(4) state the amount and source of any additional district expenditure necessary to implement the decision; and

(5) be based on the standards set forth in subdivision 3a and the rules of the state board.

(g) Any local decision issued pursuant to clauses (e) and (f) may be appealed to the hearing review officer within 30 calendar days of receipt of that written decision, by the parent, guardian, or the school board of the district responsible for assuring that an appropriate program is provided in accordance with state board rules.

If the decision is appealed, a written transcript of the hearing shall be made by the school district and shall be accessible to the parties involved within five calendar days of the filing of the appeal. The hearing review officer shall issue a final independent decision based on an impartial review of the local decision and the entire record within ~~60~~ 30 calendar days after the filing of the appeal. The hearing review officer shall seek additional evidence if necessary and may afford the parties an opportunity for written or oral argument; provided any hearing held to seek additional evidence shall be an impartial due process hearing but shall be deemed not to be a contested case hearing for purposes of chapter 14. The hearing review officer may grant specific extensions of time beyond the 30-day period at the request of any party.

The final decision shall:

(1) be in writing;

(2) include findings and conclusions; and

(3) be based upon the standards set forth in subdivision 3a and in the rules of the state board.

(h) The decision of the hearing review officer shall be final unless appealed by the parent or guardian or school board to the court of appeals. The judicial review shall be in accordance with chapter 14.

(i) The commissioner of education shall select an individual who has the qualifications enumerated in this paragraph to serve as the hearing review officer:

(1) the individual must be knowledgeable and impartial;

(2) the individual must not have a personal interest in or specific involvement with the student who is a party to the hearing;

(3) the individual must not have been employed as an administrator by the district that is a party to the hearing;

(4) the individual must not have been involved in the selection of the administrators of the district that is a party to the hearing;

(5) the individual must not have a personal, economic, or professional interest in the outcome of the hearing other than the proper administration of the federal and state laws, rules, and policies;

(6) the individual must not have substantial involvement in the development of a state or local policy or procedures that are challenged in the appeal; and

(7) the individual is not a current employee or board member of a Minnesota public school district, education district, intermediate unit or regional education agency, the state department of education, the state board of education, or a parent advocacy organization or group.

(j) In all appeals, the parent or guardian of the handicapped student or the district that is a party to the hearing may challenge the impartiality or competence of the proposed hearing review officer by applying to the state board of education.

(k) Pending the completion of proceedings pursuant to this subdivision, unless the district and the parent or guardian of the child agree otherwise, the child shall remain in the child's current educational placement and shall not be denied initial admission to school.

(l) The child's school district of residence, a resident district, and providing district shall receive notice of and may be a party to any hearings or appeals under this subdivision.

Sec. 4. Minnesota Statutes 1990, section 120.17, subdivision 8a, is amended to read:

Subd. 8a. [RESIDENCE OF CHILD UNDER SPECIAL CONDITIONS.] The legal residence of a handicapped child placed in a foster facility for care and treatment when: (1) parental rights have been terminated by court order; (2) parent or guardian is not living within the state; ~~or~~ (3) no other school district residence can be established, or (4) parent or guardian having legal custody of the child is an inmate of a Minnesota correctional facility or is a resident of a halfway house under the supervision of the commissioner of corrections; shall be the school district in which the child resides. The school board of the district of residence shall provide the same educational program for such child as it provides for all resident handicapped children in the district.

Sec. 5. Minnesota Statutes 1991 Supplement, section 120.17, subdivision 11a, is amended to read:

Subd. 11a. [STATE INTERAGENCY COORDINATING COUNCIL.] An interagency coordinating council of at least 15 members but not more than 25 is established, in compliance with Public Law Number 102-119, section 682. The members ~~and the chair~~ shall be appointed by the governor. Council members shall elect the council chairperson. The representative of the commissioner of education may not serve as the chairperson. The council shall be composed of at least three five parents, including persons of color, of children with disabilities under age seven with handicaps 12, including at least three parents of a child with a disability under age seven, three representatives of public or private providers of services for children with disabilities under age five with handicaps, including a special education director, county social service director, and a community health services or public health nursing administrator, one member of the senate, one member of the house of representatives, one representative of teacher preparation programs in early childhood-special education or other preparation programs in early childhood intervention, at least one representative of advocacy organizations for children with handicaps, at least one representative of a school district or a school district cooperative, and other members knowledgeable about children disabilities under age five with handicaps, one physician who cares for young children with special health care needs, one representative each from the commissioners of commerce, education, health, human services, and jobs and training, and a representative from Indian health services or a tribal council. Section 15.059, subdivisions 2 to 5, apply to the council. The council shall meet at least quarterly. A representative of each of the commissioners of education, health, and human services shall attend council meetings as a nonvoting member of the council.

The council shall address methods of implementing the state policy of developing and implementing comprehensive, coordinated,

multidisciplinary interagency programs of early intervention services for children with handicaps disabilities and their families.

The duties of the council include recommending policies to ensure a comprehensive and coordinated system of all state and local agency services for children under age five with handicaps disabilities and their families. The policies must address how to incorporate each agency's services into a unified state and local system of multidisciplinary assessment practices, individual intervention plans, comprehensive systems to find children in need of services, methods to improve public awareness, and assistance in determining the role of interagency early intervention committees.

It is the joint responsibility of county boards and school districts to coordinate, provide, and pay for appropriate services, and to facilitate payment for services from public and private sources. Appropriate services must be determined in consultation with parents, physicians, and other educational, medical, health, and human services providers. Appropriate services include family education and counseling, home visits, occupational and physical therapy, speech pathology, audiology, psychological services, case management, medical services for diagnostic and evaluation purposes, early identification, and screening, assessment, and health services necessary to enable children with handicaps to benefit from early intervention services. School districts must be the primary agency in this cooperative effort.

Each year by January 15 June 1, the council shall submit its recommendations recommend to the governor and the commissioners of education, health, and human services, commerce, and jobs and training policies for a comprehensive and coordinated system.

Sec. 6. Minnesota Statutes 1990, section 120.17, is amended by adding a subdivision to read:

Subd. 11b. [RESPONSIBILITIES OF COUNTY BOARDS AND SCHOOL DISTRICTS.]

It is the joint responsibility of county boards and school districts to coordinate, provide, and pay for appropriate services, and to facilitate payment for services from public and private sources. Appropriate services must be determined in consultation with parents, physicians, and other educational, medical, health, and human services providers. Appropriate services include family education and counseling, home visits, occupational and physical therapy, speech pathology, audiology, psychological services, case management, medical services for diagnostic and evaluation purposes, early identification, and screening, assessment, and health services necessary to enable children with handicaps to benefit from early intervention services. School districts must be the primary agency in this cooperative effort.

Sec. 7. Minnesota Statutes 1990, section 120.17, subdivision 16, is amended to read:

Subd. 16. [COMMUNITY TRANSITION INTERAGENCY COMMITTEE.] A district, group of districts, or special education cooperative, in cooperation with the county or counties in which the district or cooperative is located, shall establish a community transition interagency committee for handicapped youth with disabilities, beginning at grade 9 or age equivalent, and their families. Members of the committee shall consist of representatives from special education; vocational and regular education; community education; post-secondary education and training institutions; adults with disabilities who have received transition services if such persons are available; parents of handicapped youth with disabilities; local business or industry; rehabilitation services; county social services; health agencies; and additional public or private adult service providers as appropriate. The committee shall elect a chair and shall meet regularly. The committee shall:

(1) identify current services, programs, and funding sources provided within the community for secondary and post-secondary aged handicapped youth with disabilities and their families;

(2) facilitate the development of multiagency teams to address present and future transition needs of individual students on their individual education plans;

(3) develop a community plan to include mission, goals, and objectives, and an implementation plan to assure that transition needs of handicapped individuals with disabilities are met;

(4) recommend changes or improvements in the community system of transition services;

(5) exchange agency information such as appropriate data, effectiveness studies, special projects, exemplary programs, and creative funding of programs; and

(6) following procedures determined by the commissioner, prepare a yearly summary assessing the progress of transition services in the community and disseminate it including follow-up of individuals with disabilities who were provided transition services to determine post-school outcomes. The summary must be disseminated to all adult services agencies involved in the planning and to the commissioner of education by ~~September~~ October 1 of each year.

Sec. 8. Minnesota Statutes 1991 Supplement, section 120.181, is amended to read:

120.181 [TEMPORARY PLACEMENTS FOR CARE AND

TREATMENT PLACEMENT OF NONHANDICAPPED PUPILS;
EDUCATION AND TRANSPORTATION.]

The responsibility for providing instruction and transportation for a nonhandicapped pupil who has a short-term or temporary physical or emotional illness or disability, as determined by the standards of the state board, and who is temporarily placed for care and treatment for that illness or disability, shall be determined ~~in the following manner:~~ as provided in this section.

(a) The school district of residence of the pupil shall be the district in which the pupil's parent or guardian resides or the district designated by the commissioner of education if neither parent nor guardian is living within the state.

(b) Prior to the placement of a pupil for care and treatment, the district of residence shall be notified and provided an opportunity to participate in the placement decision. When an immediate emergency placement is necessary and time does not permit resident district participation in the placement decision, the district in which the pupil is temporarily placed, if different from the district of residence, shall notify the district of residence of the emergency placement within 15 days of the placement.

(c) When a nonhandicapped pupil is temporarily placed for care and treatment in a day program and the pupil continues to live within the district of residence during the care and treatment, the district of residence shall provide instruction and necessary transportation for the pupil. The district may provide the instruction at a school within the district of residence, at the pupil's residence, or in the case of a placement outside of the resident district, in the district in which the day treatment program is located by paying tuition to that district. The district of placement may contract with a facility to provide instruction by teachers licensed by the state board of teaching.

(d) When a nonhandicapped pupil is temporarily placed in a residential program for care and treatment, the district in which the pupil is placed shall provide instruction for the pupil and necessary transportation within that district while the pupil is receiving instruction, and in the case of a placement outside of the district of residence, the nonresident district shall bill the district of residence for the actual cost of providing the instruction for the regular school year and for summer school, excluding transportation costs. When a nonhandicapped pupil is temporarily placed in a residential program outside the district of residence, the administrator of the court placing the pupil shall send timely written notice of the placement to the district of residence. The district of placement may contract with a residential facility to provide instruction by teachers licensed by the state board of teaching.

(e) The district of residence shall ~~receive general education aid for include the pupil in its residence count of pupil units and pay tuition and other instructional costs, excluding transportation costs, as provided in section 124.18 to the district providing the instruction.~~ Transportation costs shall be paid by the district providing the transportation and the state shall pay transportation aid to that district. For purposes of computing state transportation aid, pupils governed by this subdivision shall be included in the handicapped transportation category.

Sec. 9. Minnesota Statutes 1990, section 124.331, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE.] The purpose of sections 124.331 to 124.333 is to improve the education of public school pupils by:

(1) working toward reducing instructor-learner ratios and increasing the amount of individual attention given each learner in kindergarten ~~and through~~ grade ~~4~~ 3 to help each learner develop socially and emotionally and in knowledge, skills, and attitudes; and

(2) improving program offerings.

Sec. 10. Minnesota Statutes 1990, section 124.331, subdivision 3, is amended to read:

Subd. 3. [STATE REVENUE CRITERIA.] Revenue available under section 124.332 is to enable a district to work to achieve the district's instructor-learner ratios in kindergarten ~~and through~~ grade ~~4~~ 3 established by the curriculum advisory committee in each district, and to prepare and use an individualized learning plan for each learner in kindergarten ~~and through~~ grade ~~4~~ 3. A district must not increase the districtwide instructor-learner ratios in grades ~~2~~ 4 through 8 as a result of reducing instructor-learner ratios in kindergarten ~~and through~~ grade ~~4~~ 3.

A district's curriculum advisory committee, as part of the policy under section 126.666, must develop a districtwide plan to work to achieve the instructor-learner ratios in kindergarten ~~and through~~ grade ~~4~~ 3 adopted by the school board of the district, and to prepare and use an individualized learning plan for each learner in kindergarten ~~and through~~ grade ~~4~~ 3. If the school board of a school district determines that the district has achieved and is maintaining the instructor-learner ratios specified by the district's curriculum advisory committee, and has prepared and is using individualized learning plans, the school board must direct the school district to use the aid it receives under section 124.332 to work to improve program offerings throughout the district, or the education district of which the district is a member, based upon a plan developed by the district's curriculum advisory committee.

Sec. 11. Minnesota Statutes 1991 Supplement, section 125.62, subdivision 6, is amended to read:

Subd. 6. [ELIGIBILITY FOR SCHOLARSHIPS AND LOANS.] The following Indian people are eligible for scholarships:

(1) a student, including a teacher aide employed by a district receiving a joint grant, who intends to become a teacher and who is enrolled in a post-secondary institution receiving a joint grant;

(2) a licensed employee of a district receiving a joint grant, who is enrolled in a master of education program; and

(3) a student who, after applying for federal and state financial aid and an Indian scholarship according to section 124.48, has financial needs that remain unmet. Financial need shall be determined according to the uniform congressional methodology for needs determination or as otherwise set in federal law.

A person who has actual living expenses in addition to those addressed by the uniform congressional methodology for needs determination, or as otherwise set in federal law, may receive a loan according to criteria established by the state board. A contract shall be executed between the state and the student for the amount and terms of the loan.

Sec. 12. Minnesota Statutes 1991 Supplement, section 245A.03, subdivision 2, is amended to read:

Subd. 2. [EXCLUSION FROM LICENSURE.] Sections 245A.01 to 245A.16 do not apply to:

(1) residential or nonresidential programs that are provided to a person by an individual who is related;

(2) nonresidential programs that are provided by an unrelated individual to persons from a single related family;

(3) residential or nonresidential programs that are provided to adults who do not abuse chemicals or who do not have a chemical dependency, a mental illness, mental retardation or a related condition, a functional impairment, or a physical handicap;

(4) sheltered workshops or work activity programs that are certified by the commissioner of jobs and training;

(5) programs for children enrolled in kindergarten to the 12th grade and prekindergarten ~~regular and~~ special education in a school as defined in section 120.101, subdivision 4, and programs serving children in combined special education and regular prekindergarten

programs that are operated or assisted by the commissioner of education or a school as defined in section 120.101, subdivision 4;

(6) nonresidential programs for children that provide care or supervision for periods of less than three hours a day while the child's parent or legal guardian is in the same building or present on property that is contiguous with the physical facility where the nonresidential program is provided;

(7) nursing homes or hospitals licensed by the commissioner of health except as specified under section 245A.02;

(8) board and lodge facilities licensed by the commissioner of health that provide services for five or more persons whose primary diagnosis is mental illness who have refused an appropriate residential program offered by a county agency. This exclusion expires on July 1, 1990;

(9) homes providing programs for persons placed there by a licensed agency for legal adoption, unless the adoption is not completed within two years;

(10) programs licensed by the commissioner of corrections;

(11) recreation programs for children or adults that operate for fewer than 40 calendar days in a calendar year;

(12) programs whose primary purpose is to provide, for adults or school-age children, including children who will be eligible to enter kindergarten within not more than four months, social and recreational activities, such as scouting, boys clubs, girls clubs, sports, or the arts; except that a program operating in a school building is not excluded unless it is approved by the district's school board;

(13) head start nonresidential programs which operate for less than 31 days in each calendar year;

(14) noncertified boarding care homes unless they provide services for five or more persons whose primary diagnosis is mental illness or mental retardation;

(15) nonresidential programs for nonhandicapped children provided for a cumulative total of less than 30 days in any 12-month period;

(16) residential programs for persons with mental illness, that are located in hospitals, until the commissioner adopts appropriate rules;

(17) the religious instruction of school-age children; Sabbath or Sunday schools; or the congregate care of children by a church, congregation, or religious society during the period used by the church, congregation, or religious society for its regular worship;

(18) camps licensed by the commissioner of health under Minnesota Rules, chapter 4630;

(19) mental health outpatient services for adults with mental illness or children with emotional disturbance; or

(20) residential programs serving school-age children whose sole purpose is cultural or educational exchange, until the commissioner adopts appropriate rules.

~~For purposes of clause (5), the department of education, after consulting with the department of human services, shall adopt standards applicable to preschool programs administered by public schools that are similar to Minnesota Rules, parts 9503.005 to 9503.0175. These standards are exempt from rulemaking under chapter 14.~~

Sec. 13. Laws 1991, chapter 265, article 3, section 39, subdivision 16, is amended to read:

Subd. 16. [INDIAN TEACHER PREPARATION GRANTS.] For joint grants to assist Indian people to become teachers:

\$190,000 1992

\$190,000 1993

~~Up to Initially \$70,000~~ each year is for a joint grant to the University of Minnesota at Duluth and the Duluth school district.

~~Up to Initially \$40,000~~ each year is for a joint grant to each of the following:

(1) Bemidji state university and the Red Lake school district;

(2) Moorhead state university and a school district located within the White Earth reservation; and

(3) Augsburg college and the Minneapolis school district.

Money not used for students at one location may be transferred for use at another location.

Any unexpended balance remaining the first year does not cancel but is available in the second year.

Sec. 14. [BASE ADJUSTMENT.]

Upon request of a school district that is eligible for and receives alternative delivery revenue under Minnesota Statutes, section 124.322, the commissioner of education shall adjust the district's revenue base and revenue for fiscal years 1992 and 1993 to reflect any new service requirements imposed upon the district. The adjustments shall be made to the district's aid and levy. However the adjustment must not result in a reduction in state aid to any other district.

Sec. 15. [ALLOCATION OF FUNDS.]

In the Northwest ECSU region, the commissioner of education shall allocate federal funds for the regional special education low incidence plans in a manner consistent with the recommendation of a majority of the school boards in the region. The allocation method must provide access for all districts in the region to the services supported by the funds.

Sec. 16. [STATE INTERAGENCY COORDINATING COUNCIL REPORT.]

The state interagency coordinating council shall appoint a task force composed of council members and representatives of all affected state and local agencies, including county boards and school districts, to study and report to the education committees of the legislature by February 15, 1993, the short- and long-term fiscal impact to the state of providing a comprehensive and coordinated system of services to infants and toddlers with disabilities from birth through age two and their families.

Sec. 17. [COUNCIL TO REVIEW DEPARTMENT OF HUMAN SERVICES RULE.]

The early childhood care and education council shall appoint a task force composed of council members and affected early childhood service providers to study and recommend to the human services and education committees of the legislature by February 15, 1993, education program standards and licensure procedures for programs subject to licensure under Minnesota Rules, parts 9503.0005 to 9503.0175.

Sec. 18. [REPEALER.]

Minnesota Statutes 1990, sections 126.071, subdivisions 2, 3, and 4; 128A.022, subdivisions 5 and 7; and 128A.024, subdivision 1; and

Minnesota Statutes 1991 Supplement, section 126.071, subdivision 1, are repealed.

Sec. 19. [APPROPRIATION.]

There is appropriated from the general fund to the department of education \$25,000 for fiscal year 1993 for a grant to independent school district No. 518, Worthington, for planning the construction of new residential facilities for the Lakeview program for students with disabilities. The grant must be matched with money from nonstate sources.

Sec. 20. [EFFECTIVE DATE.]

Sections 5, 6, and 14 are effective the day following final enactment.

ARTICLE 4

EARLY CHILDHOOD, COMMUNITY, AND ADULT EDUCATION

Section 1. Minnesota Statutes 1991 Supplement, section 123.702, subdivision 1, is amended to read:

Subdivision 1. Every school board shall provide for a mandatory program of early childhood developmental screening for children who are four years old and older but who have not entered kindergarten or first grade in a public school. This screening program shall be established either by one board, by two or more boards acting in cooperation, by educational cooperative service units, by early childhood family education programs, or by other existing programs. This screening examination is a mandatory ~~prerequisite to enrolling requirement for a student to in continue attending kindergarten or first grade in a public school.~~ A child need not submit to developmental screening provided by a school board if the child's health records indicate to the school board that the child has received comparable developmental screening from a public or private health care organization or individual health care provider. The school districts are encouraged to reduce the costs of preschool developmental screening programs by utilizing volunteers in implementing the program.

Sec. 2. Minnesota Statutes 1991 Supplement, section 123.702, subdivision 1a, is amended to read:

Subd. 1a. A child must not be enrolled ~~in this state in kindergarten or first grade in a public school until unless~~ the parent or guardian of the child submits to the school principal or other person having general control and supervision of the school a record indicating the months and year the child received developmental

screening and the results of the screening not later than 30 days after the first day of attendance. If a child is transferred from one kindergarten to another or from one first grade to another, the parent or guardian of the child must be allowed 30 days to submit the child's record, during which time the child may attend school.

Sec. 3. Minnesota Statutes 1991 Supplement, section 123.702, subdivision 1b, is amended to read:

Subd. 1b. (a) A screening program shall include at least the following components: developmental assessments, hearing and vision screening or referral, immunization review and referral, the child's height and weight, review of any special family circumstances that might affect development, identification of additional risk factors that may influence learning, an interview with the parent about the child, and referral for assessment, diagnosis, and treatment when potential needs are identified. The school district and the person performing or supervising the screening shall provide a parent or guardian with clear written notice that the parent or guardian may decline to answer questions or provide information about family circumstances that might affect development and identification of risk factors that may influence learning. The notice shall clearly state that declining to answer questions or provide information does not prevent the child from being enrolled in kindergarten or first grade if all other screening components are met. If a parent or guardian is not able to read and comprehend the written notice, the school district and the person performing or supervising the screening must convey the information in another manner. The notice shall also inform the parent or guardian that a child need not submit to the school district screening program if the child's health records indicate to the school that the child has received comparable developmental screening performed within the preceding 365 days by a public or private health care organization or individual health care provider. The notice shall be given to a parent or guardian at the time the district initially provides information to the parent or guardian about screening and shall be given again at the screening location.

(b) All screening components shall be consistent with the standards of the state commissioner of health for early developmental screening programs. No developmental screening program shall provide laboratory tests, a ~~health history~~ or a physical examination to any child. The school district shall request from the public or private health care organization or the individual health care provider the results of any laboratory test, ~~health history~~ or physical examination within the 12 months preceding a child's scheduled screening.

(c) If a child is without health coverage, the school district shall refer the child to an appropriate health care provider.

(d) A school board may offer additional components such as nutritional, physical and dental assessments, blood pressure, and laboratory tests, and health history. State aid shall not be paid for additional components.

Sec. 4. Minnesota Statutes 1991 Supplement, section 123.702, subdivision 3, is amended to read:

Subd. 3. The school board shall inform each resident family with a child eligible to participate in the developmental screening program about the availability of the program and the state's requirement that a child receive developmental screening before enrolling in not later than 30 days after the first day of attending kindergarten or first grade in a public school.

Sec. 5. Minnesota Statutes 1991 Supplement, section 124.19, subdivision 7, is amended to read:

Subd. 7. [ALTERNATIVE PROGRAMS.] (a) This subdivision applies to an alternative program that has been approved by the state board of education pursuant to Minnesota Rules, part 3500.3500, as exempt from Minnesota Rules, part 3500.1500, requiring a school day to be at least six hours in duration.

(b) To receive general education revenue for a pupil in an alternative program, a school district must meet the requirements in this paragraph. The program must be approved by the commissioner of education. In approving a program, the commissioner may use the process used for approving state designated area learning centers under section 124C.49.

(c) In addition to the requirements in paragraph (b), to receive general education revenue for a pupil in an alternative program that has an independent study component, a school district must meet the requirements in this paragraph.

The school district must develop with the pupil a continual learning plan for the pupil. A district must allow a minor pupil's parent or guardian to participate in developing the plan, if the parent or guardian wants to participate. The plan must identify the learning experiences and expected outcomes needed for satisfactory credit for the year and for graduation. The plan must be updated each year.

General education revenue for a pupil in an approved alternative program without an independent study component must be prorated for a pupil participating for less than a full school year, or its equivalent.

General education revenue for a pupil in an approved alternative

program that has an independent study component must be paid for each hour of teacher contact time and each hour of independent study time completed toward a credit necessary for graduation. Average daily membership for a pupil shall equal the number of hours of teacher contact time and independent study time divided by the product of the number of instructional days required for that year and six, ~~but not more than one, except as otherwise provided in section 121.585.~~ Average daily membership for a pupil must not exceed one, unless:

(1) a pupil participates in a learning year program under section 121.585;

(2) a pupil's regular graduating class has already graduated; or

(3) a pupil needs additional course credits in order to graduate on time.

For an alternative program having an independent study component, the commissioner shall require a description of the courses in the program, the kinds of independent study involved, the expected learning outcomes of the courses, and the means of measuring student performance against the expected outcomes.

Sec. 6. Minnesota Statutes 1991 Supplement, section 124.2601, subdivision 6, is amended to read:

Subd. 6. [AID GUARANTEE.] Any adult basic education program that receives less state aid under ~~subdivision subdivisions~~ subdivisions 3 and 7 than from the aid formula for fiscal year 1992 shall receive the amount of aid it received in fiscal year 1992.

Sec. 7. Minnesota Statutes 1991 Supplement, section 124.2605, is amended to read:

124.2605 [GED TEST FEES.]

The commissioner of education shall pay 60 percent of the costs of ~~a GED test taken by fee that is charged to~~ an eligible individual for the full battery of a GED test, but not more than \$20 for an eligible individual.

Sec. 8. Minnesota Statutes 1990, section 275.125, is amended by adding a subdivision to read:

Subd. 25. [LEVY FOR CERTAIN CHILDREN IN EXTENDED DAY PROGRAMS.] A school district that offers an extended day program according to section 121.88, subdivision 10, may levy for the additional costs of providing services to children with disabilities who participate in the extended day program.

Sec. 9. Laws 1991, chapter 265, article 4, section 30, subdivision 11, is amended to read:

Subd. 11. [GED AND LEARN TO READ ON TV.] For statewide purchase of broadcast costs, publicity, and coordination of the GED on TV series and the learn to read on TV series:

\$100,000 1992

\$100,000 1993

The department may contract for these services.

~~Up to \$10,000 of this appropriation for each fiscal year is available to contract for these services.~~

Sec. 10. [EFFECTIVE DATE.]

Section 5 is effective July 1, 1992, and applies to 1992-1993 and later school years. Section 9 is effective the day following final enactment.

ARTICLE 5

FACILITIES

Section 1. Minnesota Statutes 1990, section 121.148, subdivision 3, is amended to read:

Subd. 3. [NEGATIVE REVIEW AND COMMENT.] (a) If the commissioner submits a negative review and comment for a proposal according to section 121.15, ~~the school board must not proceed with construction.~~ the following steps must be taken:

(1) the commissioner must notify the school board of the proposed negative review and comment and schedule a public meeting within 60 days of the notification within that school district to discuss the proposed negative review and comment on the school facility; and

(2) the school board shall appoint an advisory task force of up to five members to advise the school board and the commissioner on the advantages, disadvantages, and alternatives to the proposed facility at the public meeting. One member of the advisory task force must also be a member of the county facilities group.

(b) After attending the public meeting, the commissioner shall reconsider the proposal. If the commissioner submits a negative review and comment, the school board may appeal that decision to the state board of education. The state board of education may either

uphold the commissioner's negative review and comment or instruct the commissioner to submit a positive or unfavorable review and comment on the proposed facility.

(c) A school board may not proceed with construction if the state board of education upholds the commissioner's negative review and comment or if the commissioner's negative review and comment is not appealed.

Sec. 2. Minnesota Statutes 1990, section 124.243, subdivision 2, is amended to read:

Subd. 2. [CAPITAL EXPENDITURE FACILITIES REVENUE.] Capital expenditure facilities revenue for a district equals ~~the lesser of:~~

(1) ~~\$130~~ \$128 times its actual pupil units for the school year; ~~or~~

(2) the difference between \$400 times the actual pupil units for the school year and. A district's capital expenditure facilities revenue for a school year shall be reduced if the unreserved balance in the capital expenditure facilities account on June 30 of the prior school year. For the purpose of determining revenue for the 1989-1990 and the 1990-1991 school years, the unreserved balance in the capital expenditure facilities account on June 30 of the prior school year is zero exceeds \$270 times the fund balance pupil units in the prior year as defined in section 124A.26, subdivision 1. If a district's capital expenditure facilities revenue is reduced, the reduction equals the lesser of (1) the amount that the unreserved balance in the capital expenditure facilities account on June 30 of the prior year exceeds \$270 times the fund balance pupil units in the prior year, or (2) the capital expenditure facilities revenue for that year.

Sec. 3. Minnesota Statutes 1990, section 124.243, is amended by adding a subdivision to read:

Subd. 2a. [EXCEPTION TO FUND BALANCE REDUCTION.] A district may apply to the commissioner for approval for an unreserved fund balance in its capital expenditure facilities account that exceeds \$270 per fund balance pupil unit for a period not to exceed three years. If the commissioner approves the district's application, the district's capital expenditure facilities revenue shall not be reduced according to subdivision 2. The commissioner may approve a district's application for an exception only if the use of the district's capital expenditure facilities funds are consistent with plans adopted according to subdivision 1.

Sec. 4. Minnesota Statutes 1990, section 124.243, subdivision 6, is amended to read:

Subd. 6. [USES OF REVENUE.] Capital expenditure facilities revenue may be used only for the following purposes:

- (1) to acquire land for school purposes;
- (2) to acquire or construct buildings for school purposes, if approved by the commissioner of education according to applicable statutes and rules;
- (3) to rent or lease buildings, including the costs of building repair or improvement that are part of a lease agreement;
- (4) to ~~equip, reequip, improve, and repair school sites, and buildings, and~~ equip or reequip school buildings with permanent attached fixtures;
- (5) for a surplus school building that is used substantially for a public nonschool purpose;
- (6) to eliminate barriers or increase access to school buildings by handicapped individuals;
- (7) to bring school buildings into compliance with the uniform fire code adopted according to chapter 299F;
- (8) to remove asbestos from school buildings, encapsulate asbestos, or make asbestos-related repairs;
- (9) to clean up and dispose of polychlorinated biphenyls found in school buildings;
- (10) to clean up, remove, dispose of, and make repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296.01;
- (11) for energy audits for school buildings and to modify buildings if the audit indicates the cost of the modification can be recovered within ten years;
- (12) to improve buildings that are leased according to section 123.36, subdivision 10;
- (13) to pay special assessments levied against school property but not to pay assessments for service charges;
- (14) to pay principal and interest on state loans for energy conservation according to section 216C.37 or loans made under the northeast Minnesota economic protection trust fund act according to sections 298.292 to 298.298; and

(15) to purchase or lease interactive telecommunications equipment.

Sec. 5. Minnesota Statutes 1990, section 124.244, subdivision 1, is amended to read:

Subdivision 1. [REVENUE AMOUNT.] The capital expenditure equipment revenue for each district equals ~~\$65~~ ^{\$63} times its actual pupil units counted according to section 124.17, subdivision 1, for the school year.

Sec. 6. Minnesota Statutes 1990, section 124.431, is amended by adding a subdivision to read:

Subd. 1a. [CAPITAL LOANS ELIGIBILITY.] Beginning July 1, 1992, a district is not eligible for a capital loan unless the district's estimated net debt tax rate after debt service equalization aid would be more than 20 percent of adjusted net tax capacity.

Sec. 7. Minnesota Statutes 1991 Supplement, section 124.479, is amended to read:

124.479 [BOND ISSUE; MAXIMUM EFFORT SCHOOL LOANS, 1991.]

To provide money to be loaned to school districts as agencies and political subdivisions of the state to acquire and to better public land and buildings and other public improvements of a capital nature, in the manner provided by the maximum effort school aid law, the commissioner of finance shall issue and sell school loan bonds of the state of Minnesota in the maximum amount of \$45,065,000, in addition to the bonds already authorized for this purpose. The same amount is appropriated to the maximum effort school loan fund and must be spent under the direction of the commissioner of education to make debt service loans and capital loans to school districts as provided in sections 124.36 to 124.47. The bonds must be issued and sold and provision for their payment must be made according to section 124.46. Expenses incidental to the sale, printing, execution, and delivery of the bonds, including, but without limitation, actual and necessary travel and subsistence expenses of state officers and employees for those purposes, must be paid from the maximum effort school loan fund, and the money necessary for the expenses is appropriated from that fund.

~~No bonds may be sold or issued under this section until all bonds authorized by Laws 1990, chapter 610, sections 2 to 7, are sold and issued and the authorized project contracts have been initiated or abandoned.~~

Sec. 8. Minnesota Statutes 1990, section 124.493, subdivision 1, is amended to read:

Subdivision 1. [APPROVAL BY COMMISSIONER.] To the extent money is available, the commissioner of education may approve ~~not more than two pilot~~ projects from applications submitted under section 124.494. The grant money must be used only to acquire, construct, remodel or improve the building or site of a cooperative secondary facility under contracts to be entered into within 15 months after the date on which each grant is awarded.

Sec. 9. Minnesota Statutes 1991 Supplement, section 124.493, subdivision 3, is amended to read:

Subd. 3. [APPLICATIONS COOPERATION AND COMBINATION.] Districts that ~~apply for~~ receive a cooperative secondary facilities grant after May 1, 1991, shall:

(1) submit a plan as set forth in section 122.242 for approval by the state board of education; and

(2) ~~comply with the provisions of sections 122.243 to 122.247, applicable to combined districts~~ hold a referendum on the question of combination no later than four years after a grant is awarded under section 124.493, subdivision 1.

The districts are ~~not~~ eligible for cooperation and combination revenue under section 124.2725. ~~Sections 124.494, 124.4945, and 124.4946 do not apply to districts applying for a grant after May 1, 1991, except for provisions in the sections relating to acquiring, constructing, remodeling, or improving a building or site of a cooperative secondary facility.~~

Sec. 10. Minnesota Statutes 1990, section 124.494, subdivision 2, is amended to read:

Subd. 2. [REVIEW BY COMMISSIONER.] (a) Any group of districts that submits an application for a grant shall submit a proposal to the commissioner for review and comment under section 121.15, and the commissioner shall prepare a review and comment on the proposed facility, regardless of the amount of the capital expenditure required to acquire, construct, remodel or improve the secondary facility. The commissioner must not approve an application for an incentive grant for any secondary facility unless the facility receives a favorable review and comment under section 121.15 and the following criteria are met:

(1) a minimum of three or more districts, with kindergarten to grade 12 enrollments in each district of no more than 1,200 pupils, enter into a joint powers agreement;

(2) a joint powers board representing all participating districts is established under section 471.59 to govern the cooperative secondary facility;

(3) the planned secondary facility will result in the joint powers district meeting the requirements of Minnesota Rules, parts 3500.2010 and 3500.2110;

(4) at least ~~240~~ 198 pupils would be served in grades 10 to 12, ~~320~~ 264 pupils would be served in grades 9 to 12, or ~~480~~ 396 pupils would be served in grades 7 to 12;

(5) no more than one superintendent is employed by the joint powers board as a result of the cooperative secondary facility agreement;

(6) a statement of need is submitted, that may include reasons why the current secondary facilities are inadequate, unsafe or inaccessible to the handicapped;

(7) an educational plan is prepared, that includes input from both community and professional staff;

(8) a combined seniority list for all participating districts is developed by the joint powers board;

(9) an education program is developed that provides for more learning opportunities and course offerings, including the offering of advanced placement courses, for students than is currently available in any single member district; ~~and~~

(10) a plan is developed for providing instruction of any resident students in other districts when distance to the secondary education facility makes attendance at the facility unreasonably difficult or impractical.

(b) To the extent possible, the joint powers board is encouraged to provide for severance pay or for early retirement incentives under section 125.611, for any teacher or administrator, as defined under section 125.12, subdivision 1, who is placed on unrequested leave as a result of the cooperative secondary facility agreement.

(c) For the purpose of paragraph (a), clause (8), each school district must be considered to have started school each year on the same date.

(d) The districts may develop a plan that provides for the location of social service, health, and other programs serving pupils and community residents within the cooperative secondary facility. The

commissioner shall consider this plan when preparing a review and comment on the proposed facility.

Sec. 11. Minnesota Statutes 1990, section 124.494, subdivision 4, is amended to read:

Subd. 4. [AWARD OF GRANTS.] The commissioner shall examine and consider all applications for grants, and if any joint powers district is found not qualified, the commissioner shall promptly notify that joint powers board. On July 1 of 1989, the commissioner shall make awards to no more than two qualified applicants whose applications have been on file with the commissioner more than one month. On July 1, 1992, the commissioner shall make awards to no more than two groups of districts. Notwithstanding section 124.494, subdivision 4, the first grant shall be made to the group of districts consisting of independent school districts No. 240, Blue Earth; No. 225, Winnebago; No. 219, Elmore; and No. 218, Delevan, if that group has submitted an application and if the application has been approved. The second grant, if money remains, shall be made to the group of districts that make up the Grant county project, if that group has submitted an application and if that application has been approved. Applications must be filed on or before June 1, 1992, for the July 1, 1992, grant award consideration. A grant award is subject to verification by the joint powers districts as specified in subdivision 6. A grant award must not be made until the site of the secondary facility has been determined. If the total amount of the approved applications exceeds the amount that is or can be made available, the commissioner shall allot the available amount equally between the approved applicant districts. The commissioner shall promptly certify to each qualified joint powers district the amount, if any, of the grant awarded to it.

Sec. 12. Minnesota Statutes 1990, section 124.494, subdivision 5, is amended to read:

Subd. 5. [REFERENDUM; BOND ISSUE.] Within 90 180 days after being awarded a grant under subdivision 4, the joint powers board shall submit the question of authorizing the borrowing of funds for the secondary facility to the voters of the joint powers district at a special election, which may be held in conjunction with the annual election of the school board members of the member districts. The question submitted shall state the total amount of funding needed from all sources. A majority of those voting in the affirmative on the question is sufficient to authorize the joint powers board to accept the grant and to issue the bonds on public sale in accordance with chapter 475. The clerk of the joint powers board must certify the vote of the bond election to the commissioner of education. If the question is approved by the voters, the commissioner shall notify the approved applicant districts that the grant amount certified under subdivision 4 is available and appropriated for payment under this subdivision. If a majority of those voting on

the question do not vote in the affirmative, the grant must be canceled.

Sec. 13. Minnesota Statutes 1991 Supplement, section 124.84, subdivision 3, is amended to read:

Subd. 3. [LEVY AUTHORITY.] The district may levy up to ~~\$150,000 each year for two years~~ \$300,000 under this section, as approved by the commissioner. The approved amount may be levied over five or fewer years.

Sec. 14. Minnesota Statutes 1991 Supplement, section 124.95, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the required debt service levy of a district is defined as follows:

(1) the amount needed to produce between five and six percent in excess of the amount needed to meet when due the principal and interest payments on the obligations, excluding obligations under section 124.2445, of the district for eligible projects according to subdivision 2, including the amounts necessary for repayment of energy loans according to section 216C.37 or sections 298.292 to 298.298, debt service loans and capital loans, minus

(2) the amount of any surplus remaining in the debt service fund when the obligations and interest on them have been paid debt service excess for that school year calculated according to the procedure established by the commissioner.

Sec. 15. Minnesota Statutes 1991 Supplement, section 124.95, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY.] To be eligible for debt service equalization revenue, the following conditions must be met ~~The following portions of a district's debt service levy qualify for debt service equalization:~~

(1) the required debt service levy of a district must exceed the amount raised by a level of eight percent times the adjusted net tax capacity of the district debt service for repayment of principal and interest on bonds issued before July 2, 1992;

(2) debt service for bonds refinanced after July 1, 1992, if the bond schedule has been approved by the commissioner and, if necessary, adjusted to reflect a 20-year maturity schedule; and

(3) debt service for bond issues approved bonds issued after July 1, 1990 1992, the for construction project must projects that have received a positive review and comment according to section 121.15;

if (3) the commissioner has determined that the district has met the criteria under section 124.431, subdivision 2, for new projects; and if (4) the bond schedule must be has been approved by the commissioner and, if necessary, adjusted to reflect a 20-year maturity schedule. The criterion in section 124.431, subdivision 2, paragraph (a), clause (2), shall be considered to have been met if the district in the fiscal year in which the bonds are authorized at an election conducted under chapter 475:

(i) serves an average of at least 66 pupils per grade in the grades to be served by the facility; or

(ii) is eligible for sparsity revenue.

Districts identified in Laws 1990, chapter 562, article 11, section 8, do not need to meet the criteria of section 124.431, subdivision 2, to qualify.

Sec. 16. Minnesota Statutes 1991 Supplement, section 124.95, is amended by adding a subdivision to read:

Subd. 2a. [NOTIFICATION.] A district eligible for debt service equalization revenue under subdivision 2 must notify the commissioner of the amount of its intended debt service levy calculated under subdivision 1 for all bonds sold prior to the notification by July 1 of the calendar year the levy is certified.

Sec. 17. Minnesota Statutes 1991 Supplement, section 124.95, subdivision 3, is amended to read:

Subd. 3. [DEBT SERVICE EQUALIZATION REVENUE.] (a) For fiscal years 1995 and later, the debt service equalization revenue of a district equals the required debt service levy minus the amount raised by a levy of ~~12~~ ten percent times the adjusted net tax capacity of the district.

(b) For fiscal year 1993, debt service equalization revenue equals one-third of the amount calculated in paragraph (a).

(c) For fiscal year 1994, debt service equalization revenue equals two-thirds of the amount calculated in paragraph (a).

Sec. 18. Minnesota Statutes 1991 Supplement, section 124.95, subdivision 4, is amended to read:

Subd. 4. [EQUALIZED DEBT SERVICE LEVY.] To obtain debt service equalization revenue, a district must levy an amount not to exceed the district's debt service equalization revenue times the lesser of one or the ratio of:

(1) the quotient derived by dividing the adjusted net tax capacity of the district for the year before the year the levy is certified by the actual pupil units in the district for the year to ~~which the levy is attributable prior to the year the levy is certified; or to~~

(2) 50 percent of the equalizing factor as defined in section 124A.02, subdivision 8, for the year to which the levy is attributable.

Sec. 19. Minnesota Statutes 1991 Supplement, section 124.95, subdivision 5, is amended to read:

Subd. 5. [DEBT SERVICE EQUALIZATION AID.] A district's debt service equalization aid is the difference between the debt service equalization revenue and the equalized debt service levy. ~~A district's debt service equalization aid must not be prorated. If the amount of debt service equalization aid actually appropriated for the fiscal year in which this calculation is made is insufficient to fully fund debt service equalization aid, the commissioner shall prorate the amount of aid across all eligible districts.~~

Sec. 20. [124.9601] [DEBT SERVICE APPROPRIATION.]

\$6,000,000 is appropriated in fiscal year 1993 from the general fund to the commissioner of education for payment of debt service equalization aid under section 124.95. \$17,000,000 in fiscal year 1994 and \$21,000,000 in fiscal year 1995 and each year thereafter is appropriated from the general fund to the commissioner of education for payment of debt service equalization aid under section 124.95. These amounts must be reduced by the amount of any money specifically appropriated for the same purpose in any year from any state fund.

Sec. 21. [124.9602] [1993 and 1994 APPROPRIATIONS.]

Notwithstanding section 124.95, subdivision 6, one-half of the aid appropriation in section 20 for fiscal year 1993 shall be paid to districts on March 15, 1993. One-half of the appropriation for fiscal year 1993 shall cancel to the general fund. Notwithstanding section 124.95, subdivision 6, of the appropriation for fiscal year 1994 in section 20, \$3,000,000 shall be paid to districts on September 15, 1993, and the remaining appropriation for fiscal year 1994 shall be paid according to section 124.95, subdivision 6.

Sec. 22. Minnesota Statutes 1990, section 275.125, is amended by adding a subdivision to read:

Subd. 11h. [EXTRA CAPITAL EXPENDITURE LEVY FOR CERTAIN LEASE PURCHASES.] (a) Upon application to, and approval by, the commissioner in accordance with the procedures and limits in subdivision 11d, a district, as defined in this subdivision, may:

(1) purchase real property under an installment contract or may lease real property with an option to purchase under a lease purchase agreement, by which installment contract or lease purchase agreement title is kept by the seller or vendor or assigned to a third party as security for the purchase price, including interest, if any; and

(2) annually levy the amounts necessary to pay the district's obligations under the installment contract or lease purchase agreement.

(b)(1) The obligation created by the installment contract or the lease purchase agreement must not be included in the calculation of net debt for purposes of section 475.53, and does not constitute debt under other law.

(2) An election is not required in connection with the execution of the installment contract or the lease purchase agreement.

(3) The district may terminate the installment contract or lease purchase agreement at the end of any fiscal year during its term.

(c) The proceeds of the levy authorized by this subdivision must not be used to acquire a facility to be primarily used for athletic or school administration purposes.

(d) In this subdivision, "district" means:

(1) a school district required to have a comprehensive plan for the elimination of segregation whose plan has been determined by the commissioner to be in compliance with the state board of education rules relating to equality of educational opportunity and school desegregation; or

(2) a school district that participates in a joint program for interdistrict desegregation with a district defined in clause (1) if the facility acquired under this subdivision is to be primarily used for the joint program.

(e) Notwithstanding subdivision 11d, the prohibition against a levy by a district to lease or rent a district-owned building to itself does not apply to levies otherwise authorized by this subdivision.

(f) Projects may be approved under this section by the commissioner in fiscal years 1993, 1994, and 1995 only.

Sec. 23. Minnesota Statutes 1991 Supplement, section 373.42, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] A county facilities group consists of at least one representative from the county board, one representative from each city located within the county, one representative from each school district located within the county, up to three representatives of townships selected by the county board, and two other members selected by the county board. Under this section, a school district is located within a county if it has an administrative office or a facility or a planned facility under section 121.15 in the county.

Sec. 24. Laws 1991, chapter 265, article 5, section 18, is amended to read:

Sec. 18. [BONDS FOR CERTAIN CAPITAL FACILITIES.]

In addition to other bonding authority, with approval of the commissioner, independent school districts No. 393, LeSueur, No. 508, St. Peter, and No. 734, Henderson, No. 392, Le Center, and No. 2071, Lake Crystal-Wellcome Memorial, may issue general obligation bonds for certain capital projects under this section. The bonds must be used only to make capital improvements including equipping school buildings, improving handicap accessibility to school buildings, and bringing school buildings into compliance with fire codes.

Before a district issues bonds under this subdivision, it must publish notice of the intended projects, related costs, and the total amount of district indebtedness.

A bond issue tentatively authorized by the board under this subdivision becomes finally authorized unless a petition signed by more than 15 percent of the registered voters of the school district is filed with the school board within 30 days of the board's action. The percentage is to be determined with reference to the number of registered voters in the school district on the last day before the petition is filed with the school board. The petition must call for a referendum on the question of whether to issue the bonds for the projects under this section. The approval of 50 percent plus one of those voting on the question is required to pass a referendum authorized by this section.

The bonds may be issued in a principal amount, that when combined with interest thereon, will be paid off with 50 percent of current and anticipated revenue for capital facilities under this section or a successor section for the current year plus projected revenue not greater than the current year for the next ten years. Once finally authorized, the district must set aside 50 percent of the current year's revenue for capital facilities under this section or a successor section each year in a separate account until all principal and interest on the bonds is paid. The district must annually transfer this amount from its capital fund to the debt redemption fund. The bonds must be paid off within ten years of issuance. The

bonds must be issued in compliance with Minnesota Statutes, chapter 475, except as otherwise provided in this section.

Sec. 25. Laws 1991, chapter 265, article 5, section 23, is amended to read:

Sec. 23. [MAXIMUM EFFORT CAPITAL LOAN DEBT REDEMPTION EXCESS.]

(a) Notwithstanding Minnesota Statutes, section 124.431, subdivision 11, or any other law to the contrary, a school district having an outstanding capital loan that has an excess amount in the debt redemption fund as calculated according to Minnesota Statutes, section 124.431, subdivision 11, may apply to the commissioner for an adjustment to the amount of excess owed to the state. The commissioner ~~may~~ shall reduce the excess that a district owes the state if a district's capital loan is outstanding and if the commissioner determines that any of the following conditions apply:

(1) a district is likely to incur a substantial property tax delinquency that will adversely affect the district's ability to make its scheduled bond payments;

(2) a district's agreement with its bondholders or its taxpayers could be impaired; or

(3) the district's tax capacity per pupil is less than one-tenth of the equalizing factor as defined in Minnesota Statutes, section 124A.02, subdivision 8; or

(4) the district would have qualified for a capital loan during calendar year 1990 or 1991.

(b) The amount of the excess that may be forgiven may not exceed ~~\$200,000~~ \$260,000 in a single year for any district.

(c) Any amount reduced shall be excluded from the determination of debt excess under Minnesota Statutes, section 475.61. The amount retained by the district may be used for cash flow purposes until the last year the district levies for debt service for outstanding bonds.

Sec. 26. Laws 1991, chapter 265, article 5, section 24, subdivision 4, is amended to read:

Subd. 4. [HEALTH AND SAFETY AID.] For health and safety aid according to Minnesota Statutes, section 124.83, subdivision 5:

\$11,560,000 1992

\$11,351,000 1993

The 1992 appropriation includes \$1,650,000 for 1991 and \$9,910,000 for 1992.

The 1993 appropriation includes \$1,748,000 for 1992 and \$9,603,000 for 1993.

For fiscal year 1993, total health and safety revenue may not exceed \$58,800,000. The state board of education shall establish criteria for prioritizing district health and safety project applications not to exceed this amount. The criteria may not discriminate between the number of pupils in and the geographic location of school districts.

\$60,000 of the fiscal year 1993 appropriation shall be used to contract with the state fire marshal to provide the services required under Minnesota Statutes, section 121.502. This amount is in addition to the amount in Laws 1991, chapter 265, article 11, section 23, subdivision 3.

Sec. 27. [HEALTH AND SAFETY PLAN; RICHFIELD.]

Notwithstanding other law, independent school district No. 280, Richfield, to pay off its pre-1989 fire safety loan from the city of Richfield, may revise the health and safety part of the district's capital plan to include the principal and interest on the loan payment, now funded by the facilities part, with the result that the loan principal and interest will be paid off before July 1, 1995.

Sec. 28. [DULUTH BONDING.]

Subdivision 1. [BONDING AUTHORIZATION.] To provide funds for the acquisition and betterment, as defined in Minnesota Statutes, section 475.51, subdivisions 7 and 8, of existing and new facilities, independent school district No. 709 may, by two thirds majority plus one vote of all the members of the school board, issue general obligation bonds in one or more series in calendar years 1992 and 1993 as provided in this section. The aggregate principal amount of any bonds issued under this section for calendar years 1992 and 1993 may not exceed \$9,600,000. Issuance of the bonds is not subject to Minnesota Statutes, section 475.58 or 475.59. As with other bonds issued by independent school district No. 709, Minnesota Statutes, section 475.53, subdivision 5, does not apply to issuance of the bonds. If the school board proposes to issue bonds under this section, it must publish a resolution describing the proposed bond issue once each week for two successive weeks in a legal newspaper published in the city of Duluth. The bonds may be issued without the submission of the question of their issue to the electors unless, within 30 days after the second publication of the

resolution, a petition requesting an election signed by a number of people residing in the school district equal to five percent of the people registered to vote in the last general election in the school district is filed with the recording officer. If such a petition is filed, no bonds shall be issued under this section unless authorized by a majority of the electors voting on the question at the next general or special election called to decide the issue. The bonds must otherwise be issued as provided in Minnesota Statutes, chapter 475. The authority to issue bonds under this section is in addition to any bonding authority authorized by Minnesota Statutes, chapter 124, or other law. The amount of bonding authority authorized under this section must be disregarded in calculating the bonding limit of chapter 124 or any other law other than Minnesota Statutes, section 475.53, subdivision 4, as made applicable to independent school district No. 709 by Laws 1973, chapter 266.

Subd. 2. [TAX LEVY FOR DEBT SERVICE.] To pay the principal of and interest on bonds issued under subdivision 1, independent school district No. 709 shall levy a tax in an amount sufficient under Minnesota Statutes, section 475.61, subdivisions 1 and 3, to pay the principal of and interest on the bonds. The tax authorized under this section is in addition to the taxes authorized to be levied under Minnesota Statutes, chapter 124A or 275, or other law.

Sec. 29. [LAKE SUPERIOR, VIRGINIA, GRAND RAPIDS SCHOOL DISTRICT BONDS.]

Subdivision 1. [AUTHORIZATION.] Independent school district No. 381, Lake Superior, may issue bonds in an aggregate principal amount not exceeding \$779,500, and independent school district No. 318, Grand Rapids, may issue, subject to the requirement of subdivision 8, bonds in an aggregate principal amount not exceeding \$5,600,000, and independent school district No. 706, Virginia, may issue bonds in an aggregate principal amount not exceeding \$5,000,000, in addition to any bonds already issued or authorized, to provide funds to construct, equip, furnish, remodel, rehabilitate, and acquire land for school facilities and buildings. They may spend the proceeds of the bond sale for those purposes and any architects', engineers', and legal fees incidental to those purposes or the sale. Except as permitted by this section, the bonds shall be authorized, issued, sold, executed, and delivered in the manner provided by Minnesota Statutes, chapter 475. A resolution of the board levying taxes for the payment of the bonds and interest on them as authorized by this section and pledging the proceeds of the levies for the payment of the bonds and interest on them shall be deemed to be in compliance with the provisions of chapter 475 with respect to the levying of taxes for their payment.

Subd. 2. [APPROPRIATION.] There is annually appropriated from the distribution of taconite production tax revenues to the taconite environmental protection fund pursuant to Minnesota

Statutes, section 298.28, subdivision 11, and to the northeast Minnesota economic protection trust pursuant to section 298.28, subdivisions 9 and 11, in equal shares, an amount sufficient to pay when due 80 percent of the principal and interest on the bonds issued pursuant to subdivision 1. If the annual distribution to the northeast Minnesota economic protection trust is insufficient to pay its share after fulfilling any obligations of the trust under section 298.225 or 298.293, the deficiency shall be appropriated from the taconite environmental protection fund.

Subd. 3. [DISTRICT OBLIGATIONS.] Bonds issued under authority of this section shall be the general obligations of the school district, for which its full faith and credit and unlimited taxing powers shall be pledged. If there are any deficiencies in the amount received pursuant to subdivision 2, they shall be made good by general levies, not subject to limit, on all taxable properties in the district in accordance with Minnesota Statutes, section 475.64. If any deficiency levies are necessary, the school board may effect a temporary loan or loans on certificates of indebtedness issued in anticipation of them to meet payments of principal or interest on the bonds due or about to become due.

Subd. 4. [DISTRICT LEVY.] The school board shall by resolution levy on all property in the school district subject to the general ad valorem school tax levies, and not subject to taxation under Minnesota Statutes, sections 298.23 to 298.28, a direct annual ad valorem tax for each year of the term of the bonds in amounts that, if collected in full, will produce the amounts needed to meet when due 20 percent of the principal and interest payments on the bonds. A copy of the resolution shall be filed, and the necessary taxes shall be extended, assessed, collected, and remitted in accordance with Minnesota Statutes, section 475.61.

Subd. 5. [LEVY LIMITATIONS.] Taxes levied pursuant to this section shall be disregarded in the calculation of any other tax levies or limits on tax levies provided by other law.

Subd. 6. [BONDING LIMITATIONS.] Bonds may be issued under authority of this section notwithstanding any limitations upon the indebtedness of a district, and their amounts shall not be included in computing the indebtedness of a district for any purpose, including the issuance of subsequent bonds and the incurring of subsequent indebtedness.

Subd. 7. [TERMINATION OF APPROPRIATION.] The appropriation authorized in subdivision 2 shall terminate upon payment or maturity of the last of those bonds.

Subd. 8. [GRAND RAPIDS REQUIREMENT FOR ISSUING BONDS.] Independent school district No. 318, Grand Rapids, may not issue any bonds according to the authority in subdivision 1

unless the district expends at least \$100,000 of the proceeds of the bonds for capital improvements for the industrial technology program at Big Fork.

Subd. 9. [LOCAL APPROVAL.] This section is effective for independent school district No. 381 the day after its governing body complies with Minnesota Statutes, section 645.021, subdivision 3, and for independent school district No. 318 the day after its governing body complies with Minnesota Statutes, section 645.021, subdivision 3, and for independent school district No. 706 the day after its governing body complies with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 30. [FUND BALANCE LIMIT EXCEPTION.]

Notwithstanding Minnesota Statutes, section 124.243, subdivision 2, the capital expenditure facilities revenue for special school district No. 6, South St. Paul, for fiscal years 1992, 1993, and 1994 must not be reduced because of the district's fund balance.

Sec. 31. [LEVY AND AID ADJUSTMENTS.]

The department of education shall adjust the levy limits and aid payments for special school district No. 6, South St. Paul, according to section 30. Adjustment to the school district levy may be spread over three years.

Sec. 32. [TAXPAYER NOTIFICATION.]

Subdivision 1. [APPLICABILITY.] This section applies only to newly authorized bonding authority granted under Laws 1990, chapter 604, article 8, section 9, and applies only to such bonds issued for calendar years 1993 to 1996.

Subd. 2. [NOTICE.] (a) A school board must prepare a notice of the public meeting on the proposed sale of all or any of the bonds and mail the notice to each postal patron residing within the school district. The notice must be mailed at least 15 days but not more than 30 days before the meeting. Notice of the meeting must also be posted in the administrative office of the school district and must be published twice during the 14 days before the meeting in the official newspaper of the city in which the school district is located.

(b) The notice must contain the following information:

(1) the proposed dollar amount of bonds to be issued;

(2) the dollar amount of the levy increase necessary to pay the principal and interest on the newly authorized bonds;

(3) the estimated levy amount and net tax capacity rate necessary to make the debt service payments on any existing outstanding debt;

(4) the projected effects on individual property types; and

(5) the required levy and principal and interest on all outstanding bonds in addition to the bonds proposed under clause (1).

(c) To comply with paragraph (b), clause (4), the notice must show the projected annual dollar increase and net tax capacity rate increase for a representative range of residential homestead, residential nonhomestead, apartments, and commercial-industrial properties located within each state senate district in the school district.

Subd. 3. [BOND AUTHORIZATION.] A school board may vote to issue bonds for calendar years 1993 to 1996 only after complying with the requirements of subdivision 2.

Sec. 33. [CAPITAL LOAN USES.]

Notwithstanding any other law to the contrary, independent school district No. 885, St. Michael-Albertville, may recognize an amount not to exceed \$325,000 from its maximum effort capital loan as capital expenditure equipment revenue. This amount is available to the district and does not return to the state.

Sec. 34. [LEVY ADJUSTMENT.]

The department of education shall adjust the 1992 levy for taxes payable in 1993 for each school district by the amount of debt service equalization aid entitlement for fiscal year 1993.

Sec. 35. [INSTRUCTION TO THE REVISOR.]

The revisor of statutes, in the 1992 edition of Minnesota Statutes, shall codify Laws 1990, chapter 610, article 1, section 45, as Minnesota Statutes, section 124.478, notwithstanding any law to the contrary.

Sec. 36. [REPEALER.]

Laws 1990, chapter 604, article 8, section 12, is repealed the day following final enactment.

Section 22 is repealed July 1, 1995. Levies may continue to be made under section 22 until installment contracts and lease purchase agreements have been satisfied.

Sec. 37. [EFFECTIVE DATE.]

Sections 8, 9, 10, 11, 25, 30, 31, 32, 33, and 36 are effective the day following final enactment.

Section 3 is effective the day following final enactment and applies to 1991-1992 and later school years.

Section 1 is effective July 1, 1992, and applies to school facilities projects submitted to the commissioner on or after July 1, 1992.

Section 4 is effective July 1, 1993.

ARTICLE 6

ORGANIZATION AND COOPERATION

Section 1. Minnesota Statutes 1991 Supplement, section 121.932, subdivision 2, is amended to read:

Subd. 2. [DATA ACQUISITION CALENDAR.] The department of education shall maintain a current annual data acquisition calendar specifying the reports which ~~must be provided~~ districts are required to provide to the department, the reports which regional management information centers are required to provide to the department for their affiliated districts, and the dates these reports are due.

Sec. 2. Minnesota Statutes 1991 Supplement, section 121.932, subdivision 5, is amended to read:

Subd. 5. [ESSENTIAL DATA.] The department shall maintain a list of essential data elements which must be recorded and stored about each pupil, licensed and nonlicensed staff member, and educational program. Each school district shall send the essential data to the ESV regional computer center to which it belongs, ~~or where it shall be edited and transmitted to the department in the form and format prescribed by the department.~~

Sec. 3. Minnesota Statutes 1991 Supplement, section 121.935, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] Any group of two or more independent, special or common school districts may with the approval of the state board pursuant to sections 121.931 and 121.937 create a regional management information center pursuant to section 123.58 or 471.59 to provide computer services to school districts. A regional management information center shall not come into existence until the first July 1 after its creation is approved by the state board or until it can be accommodated by state appropriations, whichever occurs first. Each member of the ~~center~~ board of a center created

after June 30, 1991, shall be a current member of a member school board.

Sec. 4. Minnesota Statutes 1991 Supplement, section 121.935, subdivision 6, is amended to read:

Subd. 6. [FEES.] Regional management information centers may charge fees to affiliated districts for the cost of services provided to the district and the district's proportionate share of outstanding regional obligations, as defined in section 475.51, for computer hardware. If a district uses a state approved alternative finance system for processing its detailed transactions or transfers to another region, the district is liable for its contracted proportionate share of the outstanding regional obligation. The district is not liable for any additional outstanding regional obligations that occur after written notice is given to transfer or use an alternative finance system. A regional management information center must not charge a district for transferring the district's summary financial data and essential data elements to the state. The regional management information center may charge the district for any service it provides to, or performs on behalf of, a district to render the data in the proper format for reporting to the state. ~~If a district transfers to another regional center, the center shall transfer to the district within 90 days after the end of the fiscal year the district's per actual pupil share of the center's unreserved fund balance in each fund. The fund balance shall be determined as of June 30 preceding the year the district transfers.~~

Sec. 5. Minnesota Statutes 1991 Supplement, section 122.22, subdivision 9, is amended to read:

Subd. 9. An order issued under subdivision 8, clause (b), shall contain the following:

(a) A statement that the district is dissolved unless the results of an election held pursuant to subdivision 11 provide otherwise;

(b) A description by words or plat or both showing the disposition of territory in the district to be dissolved;

(c) The outstanding bonded debt, outstanding energy loans made according to section 216C.37 or sections 298.292 to 298.298, and the capital loan obligation of the district to be dissolved;

(d) A statement requiring the fulfillment of the requirements imposed by each adjoining district to which territory in the dissolving district is to be attached regarding the assumption of its outstanding preexisting bonded indebtedness by any territory from the dissolving district which is attached to it;

(e) An effective date for the order. The effective date ~~shall be at least three months after the date of the order, and shall be July 1 of an odd-numbered year unless the school board and the exclusive representative of the teachers in each affected district agree to an effective date of July 1 of an even-numbered year. The agreement must be in writing and submitted to the commissioner of education;~~ and

(f) Other information the county board may desire to include.

The auditor shall within ten days from its issuance serve a copy of the order by mail upon the clerk of the district to be dissolved and upon the clerk of each district to which the order attaches any territory of the district to be dissolved and upon the auditor of each other county in which all or any part of the district to be dissolved or any district to which the order attaches territory lies, and upon the commissioner.

Sec. 6. Minnesota Statutes 1991 Supplement, section 122.23, subdivision 2, is amended to read:

Subd. 2. (a) Upon a resolution of a school board in the area proposed for consolidation or upon receipt of a petition therefor executed by 25 percent of the voters resident in the area proposed for consolidation or by 50 such voters, whichever is lesser, the county auditor of the county which contains the greatest land area of the proposed new district shall forthwith cause a plat to be prepared. The resolution or petition shall show the approximate area proposed for consolidation.

(b) The resolution or petition may propose the following:

(1) that the bonded debt of the component districts will be paid according to the levies previously made for that debt under chapter 475, ~~as provided in subdivision 16a,~~ or that the taxable property in the newly created district will be taxable for the payment of all or a portion of the bonded debt previously incurred by any component district as provided in subdivision ~~16b~~ 16;

(2) that obligations for a capital loan or an energy loan made according to section 216C.37 or sections 298.292 to 298.298 outstanding in a preexisting district as of the effective date of consolidation remain solely with the preexisting district that obtained the loan, or that all or a portion of the loan obligations will be assumed by the newly created or enlarged district and paid by the newly created or enlarged district on behalf of the preexisting district that obtained the loan;

(3) that referendum levies previously approved by voters of the component districts pursuant to section 124A.03, subdivision 2, or

its predecessor provision, be combined as provided in section 122.531, subdivision 2a or 2b, or that the referendum levies be discontinued;

(4) that the board of the newly created district consist of ~~seven~~ the number of members determined by the component districts, which may be six or seven members elected according to subdivision 18, or any number of existing school board members of the component districts, and a method to gradually reduce the membership to six or seven; or

(5) that separate election districts from which school board members will be elected, the boundaries of these election districts, and the initial term of the member elected from each of these election districts be established. If a county auditor receives more than one request for a plat and the requests involve parts of identical districts, the auditor shall forthwith prepare a plat which in the auditor's opinion best serves the educational interests of the inhabitants of the districts or areas affected.

(c) The plat shall show:

(1) Boundaries of the proposed district, as determined by the county auditor, and present district boundaries,

(2) The location of school buildings in the area proposed as a new district and the location of school buildings in adjoining districts,

(3) The boundaries of any proposed separate election districts, and

(4) Other pertinent information as determined by the county auditor.

Sec. 7. Minnesota Statutes 1990, section 122.23, subdivision 13, is amended to read:

Subd. 13. If a majority of the votes cast on the question at the election approve the consolidation, and if the necessary approving resolutions of boards entitled to act on the plat have been adopted, the school board shall, within ten days of the election, notify the county auditor who shall, within ten days of the notice or of the expiration of the period during which an election can be called, issue an order setting a date for the effective date of the change. The effective date shall be ~~at least three months after the day when the date must be set, and shall be~~ July 1 of an odd-numbered year, unless an even-numbered year is agreed upon according to subdivision 13a. The auditor shall mail or deliver a copy of such order to each auditor holding a copy of the plat and to the clerk of each district affected by the order and to the commissioner. The school board shall similarly notify the county auditor if the election fails.

The proceedings are then terminated and the county auditor shall so notify the commissioner and the auditors and the clerk of each school district affected.

Sec. 8. Minnesota Statutes 1990, section 122.241, subdivision 3, is amended to read:

Subd. 3. [COMBINATION REQUIREMENTS.] Combining districts must be contiguous and meet one of the following requirements at the time of combination:

(1) at least two districts with at least 400 resident pupils enrolled in grades 7 through 12 in the combined district and projections, approved by the department of education, of enrollment at least at that level for five years;

(2) at least two districts, if either:

(i) both of which the districts qualify for secondary sparsity revenue under section 124A.22, subdivision 6, and have an average isolation index over 23; or

(ii) the combined district qualifies for secondary sparsity revenue;
or

(3) at least three districts with fewer than 400 resident pupils enrolled in grades 7 through 12 in the combined district; or

(4) at least two districts with fewer than 400 resident pupils enrolled in grades 7 through 12 in the combined district if either district is located on the border of the state.

A combination under clause (2), (3), or (4) must be approved by the state board of education. The state board shall disapprove a combination under clause (2), (3), or (4) if the combination is educationally unsound or would not reasonably enable the districts to fulfill statutory and rule requirements.

Sec. 9. Minnesota Statutes 1991 Supplement, section 122.242, subdivision 9, is amended to read:

Subd. 9. [FINANCES.] The plan must state:

(1) whether debt service for the bonds outstanding at the time of combination remains solely with the district that issued the bonds or whether all or a portion of the debt service for the bonds will be assumed by the combined district and paid by the combined district on behalf of the district that issued the bonds;

(2) whether obligations for a capital loan or energy loan made according to section 216C.37 or sections 298.292 to 298.298 outstanding at the time of combination remain solely with the district that obtained the loan, or whether all or a portion of all the loan obligations will be assumed by the combined district and paid by the combined district on behalf of the district that obtained the loan;

(3) the treatment of debt service levies and referendum levies;

(4) whether the cooperating or combined district will levy for reorganization operating debt according to section 121.915, clause (1); and

(5) ~~two-, five-, and ten-year~~ two- and five-year projections, prepared by the department of education upon the request of any district, of revenues, expenditures, and property taxes for each district if it cooperated and combined and if it did not.

Sec. 10. Minnesota Statutes 1991 Supplement, section 122.243, subdivision 2, is amended to read:

Subd. 2. [VOTER APPROVAL.] A referendum on the question of combination shall be conducted during the first or second year of cooperation for districts that cooperate according to section 122.241, or no more than 18 months before the effective date of combination for districts that do not cooperate. The referendum shall be on a date called by the school boards. The referendum shall be conducted by the school boards according to the Minnesota election law, as defined in section 200.01. If the referendum fails, the same question or a modified question may be submitted the following school year. ~~If a question is submitted, the second referendum must be conducted on a date before October 1.~~ If the referendum fails again, the districts shall modify their cooperation and combination plan. A third referendum may be conducted ~~on any date before October 1.~~ after October 1, the newly combined district may not levy under section 124.2725 until the following year. Referendums shall be conducted on the same date in all districts.

Sec. 11. Minnesota Statutes 1990, section 122.531, is amended by adding a subdivision to read:

Subd. 2d. [CONSOLIDATION; REFERENDUM LEVY COMPUTATION.] The levy part of the referendum revenue authorized under subdivision 2a or 2b may be levied against all taxable property in the newly created district as provided in this subdivision. If the entire amount of the referendum levy in each of the component districts had been levied against the net tax capacity of all taxable property in the district, the referendum levy for the newly created district must be levied against the net tax capacity of all taxable property in the newly created district. If the entire amount of the referendum levy in each of the component districts had been levied

against the market value of all taxable property in the district, the referendum levy for the newly created district must be levied against the market value of all taxable property in the newly created district. If a part of the referendum levy in one or more of the component districts was levied against the net tax capacity of all taxable property in the district and a part of the referendum levy in one or more of the component districts had been levied against the market value of all taxable property in the district, and the plan for consolidation so provides, or the plan for consolidation makes no provision concerning referendum levies, the entire amount of the referendum levy for the newly created district must be levied against the net tax capacity of all taxable property in the newly created district. Alternatively, if a portion of the referendum levy in one or more of the component districts had been levied against the net tax capacity of all taxable property in the district and a portion of the referendum levy in one or more of the component districts was levied against the market value of all taxable property in the district, and the plan for consolidation so provides, the entire amount of the referendum levy for the newly created district must be levied against the market value of all taxable property in the newly created district.

Sec. 12. Minnesota Statutes 1991 Supplement, section 122.531, subdivision 4a, is amended to read:

Subd. 4a. [REORGANIZATION OPERATING DEBT LEVIES.] (a) A district that ~~is cooperating~~ receives revenue under section 124.2725 for cooperation or has combined according to sections 122.241 to 122.248 may levy to eliminate reorganization operating debt as defined in section 121.915, clause (1). The amount of the debt must be certified over a period of five years. After the effective date of combination according to sections 122.241 to 122.248, the levy may be certified and spread ~~only~~ either

(1) only on the property in the combined district that would have been taxable in the preexisting district that incurred the debt, or

(2) on all of the taxable property in the combined district.

(b) A district that has reorganized according to section 122.22 or 122.23 may levy to eliminate reorganization operating debt as defined in section 121.915, clause (2). The amount of debt must be certified over a period not to exceed five years and may be spread either ~~only~~

(1) only on the property in the newly created or enlarged district which was taxable in the preexisting district that incurred the debt, or

(2) on all of the taxable property in the newly created or enlarged district.

Sec. 13. Minnesota Statutes 1990, section 122.531, is amended by adding a subdivision to read:

Subd. 9. [LEVY FOR SEVERANCE PAY OR EARLY RETIREMENT INCENTIVES.] The school board of a newly created or enlarged district, according to section 122.22 or 122.23, may levy for severance pay or early retirement incentives for licensed and nonlicensed employees who resign or retire early as a result of the dissolution or consolidation, if the commissioner of education approves the incentives and the amount to be levied. The amount may be levied over a period of up to five years and shall be spread in whole or in part on the property of a preexisting district or the newly created or enlarged district, as determined by the school board of the newly created or enlarged district.

Sec. 14. Minnesota Statutes 1990, section 122.532, subdivision 2, is amended to read:

Subd. 2. (a) As of the effective date of any a consolidation in which a district is divided or the dissolution of any a district and its attachment to one two or more existing districts, each teacher employed by an affected district shall be assigned to the newly created or enlarged district in which is located the building where that teacher was primarily employed prior to the consolidation or dissolution and attachment on the basis of a ratio of the pupils assigned to each district according to the new district boundaries. The district receiving the greatest number of pupils must be assigned the teacher with the greatest seniority, and the remaining teachers must be alternately assigned to each district until the district receiving the fewest pupils has received its ratio of teachers who will not be retiring before the effective date of the consolidation or dissolution.

(b) Notwithstanding paragraph (a), the school board and the exclusive representative of teachers in each school district involved in the consolidation or dissolution and attachment may negotiate a plan for assigning teachers to each newly created or enlarged district.

Sec. 15. Minnesota Statutes 1991 Supplement, section 124.2721, subdivision 3b, is amended to read:

Subd. 3b. [LEVY.] Beginning with the levy attributable to fiscal year 1994 and thereafter, the education district levy for a school district is equal to the following:

(1) the sum of the education district revenue according to subdivision 2 2a for all member school districts of the education district, times

(2) the lesser of

(a) one, or

(b) the ratio of the adjusted net tax capacity of the education district divided by the number of actual pupil units in the education district to ~~the an~~ an amount in clause (1) equal to \$50 divided by 1.87 percent, times

(3) the ratio of the adjusted net tax capacity of the school district to the total adjusted net tax capacity of the education district.

Sec. 16. Minnesota Statutes 1990, section 124.2725, subdivision 13, is amended to read:

Subd. 13. [REVENUE FOR EXTENDED COOPERATION.] If the state board disapproves of the plan according to section 122.243, subdivision 1, or if a second referendum fails under section 122.243, subdivision 2, cooperation and combination revenue shall equal ~~\$60~~ \$50 times the actual pupil units. Cooperation and combination aid must be reduced by an amount equal to the aid paid under subdivision 6 plus the difference between the aid paid under subdivision 5 for the first two years of the agreement and the aid that would have been paid if the revenue had been ~~\$60~~ \$50 times the actual pupil units. If the aid is insufficient to recover the entire amount, the department of education shall reduce other aids due the district to recover the entire amount. The cooperation and combination levy shall be reduced by an amount equal to the difference between the levy for the first two years of the agreement and the levy that would have been authorized if the revenue had been ~~\$60~~ \$50 times the actual pupil units. A district that receives revenue under this subdivision may not also receive revenue according to sections 124.2721 and 124.575.

Sec. 17. Minnesota Statutes 1990, section 124.2725, subdivision 14, is amended to read:

Subd. 14. [CESSATION OF REVENUE.] At any time the districts cease cooperating, aid shall not be paid and the authority to levy ceases. If a district ceases to cooperate for all or a portion of a fiscal year for which a levy has been certified under subdivision 3, the department of education shall adjust the next levy certified by the district by an amount in proportion to the part of the fiscal year that the district did not cooperate.

Sec. 18. Minnesota Statutes 1991 Supplement, section 124.2727, subdivision 6, is amended to read:

Subd. 6. [ALTERNATIVE LEVY AUTHORITY.] (a) For fiscal years prior to fiscal year 1996, an intermediate school district may

levy, as a single taxing district, according to this paragraph, an amount that may not exceed the greater of:

(1) five-sixths of the levy certified for special education and secondary vocational education for taxes payable in 1989; or

(2) the lesser of (i) \$50 times the actual pupil units in each participating district for the fiscal year to which the levy is attributable, or (ii) 1.43 percent of the adjusted net tax capacity. The levy shall be certified according to section 275.07. Upon such certification, the county auditors shall levy and collect the levies and remit the proceeds of the levy to the intermediate school district. The levies shall not be included in computing the limitation upon the levy of any of the participating districts.

(b) ~~Five-sixths~~ Five-elevenths of the proceeds of the levy shall be used for special education. ~~Six-elevenths~~ of the proceeds of the levy shall be used for secondary vocational education.

(c) ~~To levy according to paragraph (a), a majority of the full membership of the school board of each member of the intermediate school district shall adopt a resolution in August of any year stating its decision not to levy according to this section and authorizing the intermediate district to levy according to paragraph (a). Any member district may adopt a resolution by the following February 1 or February 1 of any subsequent year to levy as a school district the amount authorized by this section. The resolution may or may not also contain the school board's decision to withdraw from the intermediate school district or to cease participating in or providing financial support for any of the services or activities of the intermediate school district. Upon withdrawal from or cessation of participation in or support for the services or activities of the intermediate district, the board of the intermediate district shall pay to the district \$50 times the number of actual pupil units in the school district, or a prorated amount if the member district ceases participation in or providing financial support for any activities or services of the intermediate district. When a school district joins or withdraws from an intermediate school district after July 1, 1991, the department of education shall recalculate the levy certified for taxes payable in 1989, for the purpose of determining the levy amount authorized under paragraph (a), clause (1), to reflect the change in membership of the intermediate school district. The department shall recalculate the levy as though the intermediate school district had certified the maximum permitted levy for taxes payable in 1989.~~

This subdivision expires July 1, 1995.

Sec. 19. Minnesota Statutes 1991 Supplement, section 124.2727, is amended by adding a subdivision to read:

Subd. 8. [CERTIFICATES OF INDEBTEDNESS.] After a levy has

been certified according to subdivision 6 or 7, an intermediate school board may issue and sell certificates of indebtedness in anticipation of the collection of levies, but in aggregate amounts that will not exceed the portion of the levies which is then not collected and not delinquent.

Sec. 20. Minnesota Statutes 1990, section 124A.22, subdivision 2a, is amended to read:

Subd. 2a. [CONTRACT DEADLINE AND PENALTY.] (a) The following definitions apply to this subdivision:

“Public employer” means:

(1) a school district; and

(2) a public employer, as defined by section 179A.03, subdivision 15, other than a school district that (i) negotiates a contract under chapter 179A with teachers, and (ii) is established by, receives state money, or levies under chapters 120 to 129, or 136D, or 268A, or section 275.125.

“Teacher” means a person, other than a superintendent or assistant superintendent, principal, assistant principal, or a supervisor or confidential employee who occupies a position for which the person must be licensed by the board of teaching, state board of education, or state board of technical colleges.

(b) Notwithstanding any law to the contrary, a public employer and the exclusive representative of the teachers shall both sign a collective bargaining agreement on or before January 15 of an even-numbered calendar year. If a collective bargaining agreement is not signed by that date, state aid paid to the public employer for that fiscal year shall be reduced. However, state aid shall not be reduced if:

(1) a public employer and the exclusive representative of the teachers have submitted all unresolved contract items to interest arbitration according to section 179A.16 before December 31 of an odd-numbered year and filed required final positions on all unresolved items with the commissioner of mediation services before January 15 of an even-numbered year; and

(2) the arbitration panel has issued its decision within 60 days after the date the final positions were filed.

For a district that reorganizes according to section 122.22 or 122.23, effective July 1 of an odd-numbered year, state aid shall not be reduced according to this subdivision if the school board and the exclusive representative of the teachers both sign a collective

bargaining agreement on or before the March 15 following the effective date of reorganization. This extension is available only in the calendar year following the effective date of reorganization.

(c) The reduction shall equal \$25 times the number of actual pupil units:

(1) for a school district, that are in the district during that fiscal year; or

(2) for a public employer other than a school district, that are in programs provided by the employer during the preceding fiscal year.

The department of education shall determine the number of full-time equivalent actual pupil units in the programs. The department of education shall reduce general education aid; if general education aid is insufficient or not paid, the department shall reduce other state aids.

(d) Reductions from aid to school districts and public employers other than school districts shall be returned to the general fund.

Sec. 21. Minnesota Statutes 1990, section 136D.22, subdivision 1, is amended to read:

Subdivision 1. [BOARD.] The agreement shall provide for a joint school board representing the parties to the agreement. The agreement shall specify the name of the board, the number and manner of election or appointment of its members, their terms and qualifications, and other necessary and desirable provisions. ~~Each member of the board shall be a school board member of a school district that is a party to the agreement.~~

Sec. 22. Minnesota Statutes 1991 Supplement, section 136D.22, subdivision 3, is amended to read:

Subd. 3. [LIMITATION ON PARTICIPATION AND FINANCIAL SUPPORT MEMBERSHIP.] (a) No school district shall be required ~~by an agreement or otherwise to participate in or provide financial support for~~ to be a participating district in an intermediate school district for a time period ~~in excess of one fiscal year longer than that set forth in this subdivision.~~ Any agreement, part of an agreement, or other type of requirement to the contrary is void.

(b) ~~This subdivision shall not affect the continued liability of a school district for its share of bonded indebtedness or other debt incurred by the intermediate school district before June 5, 1991. The school district is liable only until the obligation or debt is discharged and only according to the payment schedule in effect on June 5, 1991, except that the payment schedule may be altered for the~~

purpose of restructuring debt or refunding bonds outstanding on June 5, 1991, if the annual payments of the school district are not increased and if the total obligation of the school district for its share of outstanding bonds or other debt is not increased.

(e) To cease participating in or providing financial support for any of the services or activities provided by the intermediate district or To withdraw from the an intermediate district, the a school board shall adopt a resolution and notify the intermediate board of its decision on or before February 1 of any year. The cessation or Withdrawal shall be effective June 30 of the same year or, at the option of the school board, June 30 of the following fiscal year, unless the withdrawing school district and the intermediate district agree to a different date. The intermediate board shall file a copy of the withdrawal resolution with the county auditors of the counties in which the intermediate district is located in whole or in part.

(4) (c) In addition to the requirements of section 136D.281, before issuing bonds or incurring other debt, the board of an intermediate district shall adopt a resolution proposing to issue bonds or incur other debt and the proposed financial effect of the bonds or other debt upon each participating school district. The resolution shall be adopted within a time sufficient to allow the school board to adopt a resolution within the time permitted by this paragraph subdivision and before any election required by chapter 475 is conducted. The resolution shall also be adopted within a time sufficient to allow the intermediate board and the school board of a participating district to comply with the statutory deadlines set forth in sections 122.895, 125.12, and 125.17. The intermediate board shall notify each participating school board of a participating school district of the contents of the resolution. Within 120 60 days of receiving the resolution of the intermediate board, the school board of the participating district shall adopt a resolution stating:

(1) its concurrence with issuing bonds or incurring other debt; or

(2) its intention to cease participating in or providing financial support for the service or activity related to the bonds or other debt; or

(3) its intention to withdraw from the intermediate district.

A school board adopting a resolution according to clause (1) is liable for its share of bonded indebtedness or other debt as proposed by the board of the intermediate district. A school board adopting a resolution according to clause (2) is not liable for the bonded indebtedness or other debt, as proposed by the board of the intermediate district, related to the services or activities in which the school district ceases participating or providing financial support. A school board adopting a resolution according to clause (3) (2) is not liable for the bonded indebtedness or other debt as proposed by the board

of the intermediate district. Failure of a school board to adopt a resolution within the required time period shall constitute concurrence with issuing bonds or incurring other debt.

(e) After June 5, 1991 (d) Except as provided in paragraph (c), a school district is that withdraws from the intermediate district remains liable according to paragraph (d) for its share of bonded indebtedness or other debt incurred by the intermediate district to the extent that the bonds or other debt are directly related to the services or activities in which the school district participates or for which the school district provides financial support. The school district has continued liability only until the obligation bonds are retired or the debt is discharged and only according to the payment schedule in effect at the time the school board of the intermediate district provides notice of withdrawal to the school board intermediate district, except that the payment schedule may be altered for the purpose of refunding the outstanding bonds or restructuring other debt if the annual payments of the school district are not increased and if the total obligation of the school district for the outstanding bonds or other debt is not increased.

(e) For the purposes of this subdivision, "other debt" means a contractual obligation for which the intermediate district does not have specific authority to levy, except for the levy authorized for special education and secondary vocational education according to section 124.2727, and for which money is not appropriated in the current year's budget. It includes tax and aid anticipation certificates of indebtedness and warrants; however, the procedures for the issuance of tax and aid anticipation certificates and warrants shall be the same as those provided in chapters 124 and 475.

Sec. 23. Minnesota Statutes 1991 Supplement, section 136D.71, subdivision 2, is amended to read:

Subd. 2. [LIMITATION ON PARTICIPATION AND FINANCIAL SUPPORT MEMBERSHIP.] (a) No school district shall be required by an agreement or otherwise to participate in or provide financial support for to be a participating district in an intermediate school district for a time period in excess of one fiscal year longer than that set forth in this subdivision. Any agreement, part of an agreement, or other type of requirement to the contrary is void.

(b) This subdivision shall not affect the continued liability of a school district for its share of bonded indebtedness or other debt incurred by the intermediate school district before June 5, 1991. The school district is liable only until the obligation or debt is discharged and only according to the payment schedule in effect on June 5, 1991, except that the payment schedule may be altered for the purpose of restructuring debt or refunding bonds outstanding on June 5, 1991, if the annual payments of the school district are not

increased and if the total obligation of the school district for its share of outstanding bonds or other debt is not increased.

(e) ~~To cease participating in or providing financial support for any of the services or activities provided by the intermediate district or To withdraw from the an intermediate district, the a school board shall adopt a resolution and notify the intermediate board of its decision on or before February 1 of any year. The cessation or Withdrawal shall be effective June 30 of the same year or, at the option of the school board, June 30 of the following fiscal year, unless the withdrawing school district and the intermediate district agree to a different date. The intermediate board shall file a copy of the withdrawal resolution with the county auditors of the counties in which the intermediate district is located in whole or in part.~~

(d) (c) In addition to the requirements of section 136D.741, before issuing bonds or incurring other debt, the board of an intermediate district shall adopt a resolution proposing to issue bonds or incur other debt and the proposed financial effect of the bonds or other debt upon each participating school district. The resolution shall be adopted within a time sufficient to allow the school board to adopt a resolution within the time permitted by this paragraph subdivision and before any election required by chapter 475 is conducted. The resolution shall also be adopted within a time sufficient to allow the intermediate board and the school board of a participating district to comply with the statutory deadlines set forth in sections 122.895, 125.12, and 125.17. The intermediate board shall notify each participating school board of a participating school district of the contents of the resolution. Within 60 days of receiving the resolution of the intermediate board, the school board of the participating district shall adopt a resolution stating:

- (1) its concurrence with issuing bonds or incurring other debt; or
- (2) ~~its intention to cease participating in or providing financial support for the service or activity related to the bonds or other debt; or~~
- (3) its intention to withdraw from the intermediate district.

A school board adopting a resolution according to clause (1) is liable for its share of bonded indebtedness or other debt as proposed by the board of the intermediate district. ~~A school board adopting a resolution according to clause (2) is not liable for the bonded indebtedness or other debt, as proposed by the board of the intermediate district, related to the services or activities in which the school district ceases participating or providing financial support. A school board adopting a resolution according to clause (3) (2) is not liable for the bonded indebtedness or other debt as proposed by the board of the intermediate district. Failure of a school board to adopt a~~

resolution within the required time period shall constitute concurrence with issuing bonds or incurring other debt.

~~(e) After June 5, 1991 (d) Except as provided in paragraph (c), a school district is that withdraws from the intermediate district remains liable according to paragraph (d) for its share of bonded indebtedness or other debt incurred by the intermediate district to the extent that the bonds or other debt are directly related to the services or activities in which the school district participates or for which the school district provides financial support. The school district has continued liability only until the obligation bonds are retired or the debt is discharged and only according to the payment schedule in effect at the time the school board of the intermediate district provides notice of withdrawal to the school board intermediate district, except that the payment schedule may be altered for the purpose of refunding the outstanding bonds or restructuring other debt if the annual payments of the school district are not increased and if the total obligation of the school district for the outstanding bonds or other debt is not increased.~~

(e) For the purposes of this subdivision, "other debt" means a contractual obligation for which the intermediate district does not have specific authority to levy, except for the levy authorized for special education and secondary vocational education according to section 124.2727, and for which money is not appropriated in the current year's budget. It includes tax and aid anticipation certificates of indebtedness and warrants; however, the procedures for the issuance of tax and aid anticipation certificates and warrants shall be the same as those provided in chapters 124 and 475.

Sec. 24. Minnesota Statutes 1991 Supplement, section 136D.72, subdivision 1, is amended to read:

Subdivision 1. [MEMBERS.] The district shall be operated by a school board consisting of at least one member from each of the school districts within the special intermediate school district. Board members ~~shall be members of the school boards of the respective school districts and~~ shall be appointed by their respective school boards. Members shall serve at the pleasure of their respective school boards and may be subject to recall by a majority vote of the school board. They shall report at least quarterly to their boards on the activities of the intermediate district.

Sec. 25. Minnesota Statutes 1990, section 136D.75, is amended to read:

136D.75 [STATE BOARD APPROVAL TO RUN TECHNICAL COLLEGE, ISSUE BONDS.]

Prior to the commencement of the operation of any technical college, the intermediate school board shall obtain the approval of

the state board of education. Prior to the issuance of any bonds contemplated by sections 136D.71 to 136D.77 for post-secondary technical education, written approval by the state board of education technical colleges shall be obtained.

Sec. 26. Minnesota Statutes 1991 Supplement, section 136D.76, subdivision 2, is amended to read:

Subd. 2. [JOINDER.] ~~An independent school district must receive the approval of the state board of education and the state board of technical colleges to become a participant in the intermediate school district. Thereafter, Upon approval of the majority vote of its the school district board and of the intermediate school board and without the requirement for an election, independent school district No. 138 of Chisago and Isanti counties and independent school district No. 141 of Chisago and Washington counties, and any other independent school district adjoining the territory embraced in the intermediate school district may become a participant in the intermediate school district and be governed by the provisions of sections 136D.71 to 136D.77 thereafter. The net tax capacity of the property within the geographic confines of such district shall become proportionately liable for any indebtedness issued, outstanding or authorized of the intermediate school district.~~

Sec. 27. Minnesota Statutes 1990, section 136D.82, subdivision 1, is amended to read:

Subdivision 1. [BOARD.] The agreement shall provide for a joint school board representing the parties to the agreement. The agreement shall specify the name of the board, the number and manner of election or appointment of its members, their terms and qualifications, and other necessary and desirable provisions. ~~Each member of the board shall be a school board member of a school district that is a party to the agreement.~~

Sec. 28. Minnesota Statutes 1991 Supplement, section 136D.82, subdivision 3, is amended to read:

Subd. 3. [LIMITATION ON PARTICIPATION AND FINANCIAL SUPPORT MEMBERSHIP.] (a) No school district shall be required ~~by an agreement or otherwise to participate in or provide financial support for to be a participating district in an intermediate school district for a time period in excess of one fiscal year longer than that set forth in this subdivision.~~ Any agreement, part of an agreement, or other type of requirement to the contrary is void.

(b) ~~This subdivision shall not affect the continued liability of a school district for its share of bonded indebtedness or other debt incurred by the intermediate school district before June 5, 1991. The school district is liable only until the obligation or debt is discharged and only according to the payment schedule in effect on June 5,~~

1991, except that the payment schedule may be altered for the purpose of restructuring debt or refunding bonds outstanding on June 5, 1991, if the annual payments of the school district are not increased and if the total obligation of the school district for its share of outstanding bonds or other debt is not increased.

(e) ~~To cease participating in or providing financial support for any of the services or activities provided by the intermediate district or To withdraw from the an intermediate district, the a school board shall adopt a resolution and notify the intermediate board of its decision on or before February 1 of any year. The cessation or Withdrawal shall be effective June 30 of the same year or, at the option of the school board, June 30 of the following fiscal year, unless the withdrawing school district and the intermediate district agree to a different date. The intermediate board shall file a copy of the withdrawal resolution with the county auditors of the counties in which the intermediate district is located in whole or in part.~~

(d) (c) In addition to the requirements of section 136D.88, before issuing bonds or incurring other debt, the board of an intermediate district shall adopt a resolution proposing to issue bonds or incur other debt and the proposed financial effect of the bonds or other debt upon each participating school district. The resolution shall be adopted within a time sufficient to allow the school board to adopt a resolution within the time permitted by this paragraph subdivision and before any election required by chapter 475 is conducted. The resolution shall also be adopted within a time sufficient to allow the intermediate board and the school board of a participating district to comply with the statutory deadlines set forth in sections 122.895, 125.12, and 125.17. The intermediate board shall notify each participating school board of a participating school district of the contents of the resolution. Within 120 60 days of receiving the resolution of the intermediate board, the school board of the participating district shall adopt a resolution stating:

- (1) its concurrence with issuing bonds or incurring other debt; or
- (2) ~~its intention to cease participating in or providing financial support for the service or activity related to the bonds or other debt; or~~
- (3) its intention to withdraw from the intermediate district.

A school board adopting a resolution according to clause (1) is liable for its share of bonded indebtedness or other debt as proposed by the board of the intermediate district. A school board adopting a resolution according to clause (2) is not liable for the bonded indebtedness or other debt, as proposed by the board of the intermediate district, related to the services or activities in which the school district ceases participating or providing financial support. A school board adopting a resolution according to clause (3) (2) is not liable

for the bonded indebtedness or other debt as proposed by the board of the intermediate district. Failure of a school board to adopt a resolution within the required time period shall constitute concurrence with issuing bonds or incurring other debt.

(e) After June 5, 1991 (d) Except as provided in paragraph (c), a school district is that withdraws from the intermediate district remains liable according to paragraph (d) for its share of bonded indebtedness or other debt incurred by the intermediate district to the extent that the bonds or other debt are directly related to the services or activities in which the school district participates or for which the school district provides financial support. The school district has continued liability only until the obligation bonds are retired or the debt is discharged and only according to the payment schedule in effect at the time the school board of the intermediate district provides notice of withdrawal to the school board intermediate district, except that the payment schedule may be altered for the purpose of refunding the outstanding bonds or restructuring other debt if the annual payments of the school district are not increased and if the total obligation of the school district for the outstanding bonds or other debt is not increased.

(e) For the purposes of this subdivision, "other debt" means a contractual obligation for which the intermediate district does not have specific authority to levy, except for the levy authorized for special education and secondary vocational education according to section 124.2727, and for which money is not appropriated in the current year's budget. It includes tax and aid anticipation certificates of indebtedness and warrants; however, the procedures for the issuance of tax and aid anticipation certificates and warrants shall be the same as those provided in chapters 124 and 475.

Sec. 29. Minnesota Statutes 1990, section 275.125, is amended by adding a subdivision to read:

Subd. 8f. [SPECIAL COOPERATION LEVY.] (a) This subdivision does not apply to an education district, intermediate school district, secondary vocational cooperative, special education cooperative, or a joint powers district that received a grant for a cooperative secondary facility. A school district may levy under this subdivision for taxes payable in 1993, 1994, and 1995 if it:

(1) has more than 30,000 actual pupil units;

(2) is not a member of intermediate school district No. 287, 916, or 917;

(3) provides special education services to at least 3,200 resident and 100 nonresident pupils;

(4) develops model curricula for use by nonresident special education pupils;

(5) consults with other school districts on developing individual education plans for nonresident special education pupils on a regular or emergency basis;

(6) provides secondary vocational programs to resident and non-resident at-risk youths;

(7) provides pregnant teen and teen parent programs to resident and nonresident pupils; and

(8) provides staff development programs and material for teachers in other districts.

(b) The levy may not exceed \$50 times the number of actual pupil units in the district.

A school district may recognize 50 percent of the proceeds of the levy in the fiscal year it is certified.

(c) The proceeds of the levy shall be used for special education and secondary vocational education.

Sec. 30. Minnesota Statutes 1991 Supplement, section 275.125, subdivision 11g, is amended to read:

Subd. 11g. [EXTRA CAPITAL EXPENDITURE LEVY FOR INTERACTIVE TELEVISION.] A school district with its central administrative office located within economic development region one, two, three, four, five, ~~six~~, seven, eight, nine, and ten may levy up to the greater of .5 percent of the adjusted net tax capacity of the district or \$20,000 for the construction, maintenance, and lease costs of an interactive television system for instructional purposes. The approval by the commissioner of education and the application procedures set forth in subdivision 11d shall apply to the levy authority in this subdivision.

Sec. 31. Laws 1991, chapter 265, article 6, section 67, subdivision 3, is amended to read:

Subd. 3. [JULY 1, 1993.] Minnesota Statutes 1990, sections 121.935, subdivision 5; ~~121.94~~ 122.91, subdivision 7; 122.945, subdivision 4; 124.2721, subdivision 3a; and 124.535, subdivision 3a.

Sec. 32. [REORGANIZATION OPERATING DEBT FOR CERTAIN DISTRICTS.]

Notwithstanding Minnesota Statutes, section 121.915, if independent school districts No. 237, Spring Valley; and No. 236, Wykoff, conduct a successful referendum in 1992 on the question of combination, the reorganization operating debt for independent school districts No. 237, Spring Valley; and No. 236, Wykoff, shall be calculated according to Minnesota Statutes, section 121.915, except that the debt may be calculated as of June 30, 1993.

Sec. 33. [PREK-12 AND COMMUNITY EDUCATION SERVICE DELIVERY SYSTEM.

Subdivision 1. [PURPOSE.] The purpose of this section is to design and implement a statewide delivery system for educational services that will reduce the number of different cooperative organizations and the multiple levels of administration that accompany those organizations.

Subd. 2. [SCOPE OF THE SYSTEM.] (a) A new statewide delivery system shall be designed and implemented by July 1, 1995, for all prekindergarten through grade 12 and community education services provided by the organizations enumerated in this paragraph:

- (1) the Minnesota department of education;
- (2) educational cooperative service units established under Minnesota Statutes, section 123.58;
- (3) intermediate school districts established under Minnesota Statutes, chapter 136D;
- (4) education districts established under Minnesota Statutes, section 122.91;
- (5) regional management information centers established under Minnesota Statutes, section 121.935; and
- (6) secondary vocational cooperatives established under Minnesota Statutes, section 123.351.

Subd. 3. [REQUIREMENTS FOR THE SYSTEM.] The new statewide delivery system must provide for no more than three organizations for education service delivery;

- (1) a school district, as defined in Minnesota Statutes, chapter 123;
- (2) an area education organization to provide those programs and services most efficiently and effectively provided through a joint effort of school districts; and

(3) a state level administrative organization comprised of a state board of education and a state department of education with central and regional delivery centers.

Subd. 4. [LOCAL SCHOOL DISTRICT PLANNING.] School districts shall develop a plan for the efficient and effective delivery of educational programs and services within the new education delivery system. The plan developed by the districts must contain the components enumerated in this subdivision:

(1) a description of the necessary services to be provided by the school district, the area education organization, and the central and regional delivery centers of the department of education described in subdivision 3;

(2) a specification of the optimal number of school districts and number of pupils that an area education organization and regional center of the department of education should serve;

(3) a method for determining the boundaries of area education organizations and regional centers of the department;

(4) a description of how services provided in the area education organizations should be funded; and

(5) a determination of the role of the school district, the area education organization, and the central and regional centers of the department in ensuring that health and other social services necessary to maximize a pupil's ability to learn are provided to pupils.

Subd. 5. [SCHOOL DISTRICTS.] The school districts shall make a final report to the legislature by July 1, 1994. The final report must contain recommendations for the design of an education service delivery system in accordance with this section and recommendations for legislation required to implement the system.

Sec. 34. [COOPERATION REVENUE.]

Subdivision 1. Notwithstanding any other law to the contrary, if the members of a joint school district that received a cooperative secondary facilities grant under section 124.494 on or before May 1, 1991, meet the requirements of Minnesota Statutes 1990, sections 122.241 to 122.246, they shall be eligible for revenue under Minnesota Statutes, section 124.2725.

Subd. 2. The authority in subdivision 1 expires if the members of the joint school district have not combined according to Minnesota Statutes 1990, section 122.244, by July 1, 1996.

Sec. 35. [LAC QUI PARLE COOPERATION LEVY.]

(a) Joint school district No. 6011, Lac Qui Parle Valley, may certify a levy on all the taxable property in the joint district for costs associated with the establishment of the joint district. The levy authorized under this section must not exceed \$400,000 in total and must be certified in equal amounts over each year of a five-year period.

(b) Notwithstanding paragraph (a), if the members of joint school district No. 6011 do not combine under Minnesota Statutes, section 122.244 by July 1, 1996, authority to levy under this section ceases.

Sec. 36. [INTERMEDIATE LEVY INCREASE.]

Notwithstanding any law to the contrary, to restore a portion of the revenue reduction imposed by Laws 1991, chapter 265, article 6, section 60, paragraph (b), an intermediate school district may levy in 1992 for taxes payable in 1993 up to an amount equal to one-sixth of the 1990 payable 1991 levy for special education and secondary vocational education certified by the intermediate school district times 21/27.

Sec. 37. [SECONDARY VOCATIONAL COOPERATIVE LEVY ADJUSTMENT FOR FISCAL YEAR 1993.]

Notwithstanding any other law to the contrary, a school district that certified a levy under Minnesota Statutes, section 124.575, subdivision 3, in 1991 for taxes payable in 1992 may levy in 1992 for taxes payable in 1993 up to an amount equal to:

(1) the amount of aid calculated for fiscal year 1993 under Minnesota Statutes, section 124.575, subdivision 4, for the secondary vocational cooperative to which the school district belonged, times

(2) the ratio of the adjusted net tax capacity of the school district to the adjusted net tax capacity of the secondary vocational cooperative.

The amount of levy permitted under this section shall be transferred to the secondary vocational cooperative according to Minnesota Statutes, section 124.575, subdivision 3a.

Sec. 38. [EDUCATION DISTRICT LEVY ADJUSTMENT FOR FISCAL YEAR 1993.]

Notwithstanding any other law to the contrary, a school district that certified a levy under Minnesota Statutes, section 124.2721, subdivision 3, in 1991 for taxes payable in 1992 may levy in 1992 for taxes payable in 1993 up to an amount equal to:

(1) the amount of aid calculated for fiscal year 1993 under Minnesota Statutes, section 124.2721, subdivision 4, for the education district to which the school district belonged, times

(2) the ratio of the adjusted net tax capacity of the school district to the adjusted net tax capacity of the education district.

The amount of the levy permitted under this section shall be transferred to the education district board according to Minnesota Statutes, section 124.2721, subdivision 3a.

Sec. 39. [REPEALER.]

Subdivision 1. [JUNE 1991.] Minnesota Statutes 1990, section 136D.76, subdivision 3; Minnesota Statutes 1991 Supplement, sections 124.2727, subdivisions 1, 2, 3, 4, and 5; and 136D.90, subdivision 2, are repealed as of June 1, 1991.

Subd. 2. [JULY 1, 1992.] Minnesota Statutes 1990, section 136D.74, subdivision 3; Laws 1991, chapter 265, article 6, section 64; Laws 1991, chapter 265, article 6, sections 4, 20, 22 to 26, 28, 30 to 33, and 41 to 45, are repealed.

Subd. 3. [EXPIRATION.] Minnesota Statutes 1990, chapter 136D, as amended, sections 121.935, 122.91 to 122.95, 123.351, 123.358, and 124.575, and Minnesota Statutes 1991, sections 124.2721 and 124.2727 expire as of July 1, 1995.

Sec. 40. [EFFECTIVE DATE.]

Sections 18, 22, 23, and 28 are effective retroactively to June 1, 1991.

ARTICLE 7

OTHER PROGRAM FUNDING

Section 1. Minnesota Statutes 1991 Supplement, section 121.912, subdivision 6, is amended to read:

Subd. 6. [ACCOUNT TRANSFER FOR REORGANIZING DISTRICTS.] (a) A school district that has reorganized according to section 122.22, 122.23, or sections 122.241 to 122.248 may make permanent transfers between any of the funds in the newly created or enlarged district with the exception of the debt redemption fund. Fund transfers under this section may be made only during the year following the effective date of reorganization.

(b) A district that has conducted a successful referendum on the

question of combination under section 122.243, subdivision 2, may make permanent transfers between any of the funds in the district with the exception of the debt redemption fund for up to one year prior to the effective date of combination under sections 122.241 to 122.248.

Sec. 2. Minnesota Statutes 1991 Supplement, section 124.2615, subdivision 2, is amended to read:

Subd. 2. [AMOUNT OF AID.] A district is eligible to receive learning readiness aid if the program plan as required by subdivision 1 has been approved by the commissioner of education. ~~For fiscal year 1992,~~ The aid is equal to:

(1) \$200 for fiscal year 1992 and \$300 for fiscal year 1993 times the number of eligible four-year old children residing in the district, as determined according to section 124.2711, subdivision 2; plus

(2) \$100 for fiscal year 1992 and \$300 for fiscal year 1993 times the result of;

(3) the ratio of the number of pupils enrolled in the school district from families eligible for the free or reduced school lunch program to the total number of pupils enrolled in the school district; times

(4) the number of children in clause (1).

For fiscal year ~~1993~~ 1994 and thereafter, a district shall receive learning readiness aid equal to:

(1) \$500 times the number of all participating eligible children; plus

(2) \$200 times the number of participating eligible children identified according to section 121.831, subdivision 8.

Sec. 3. Minnesota Statutes 1990, section 124.85, subdivision 4, is amended to read:

Subd. 4. [DISTRICT ACTION.] A district may enter into a guaranteed energy savings contract with a qualified provider if, after review of the report, it finds that the amount it would spend on the energy conservation measures recommended in the report is not likely to exceed the amount to be saved in energy and operation costs over ten years from the date of installation if the recommendations in the report were followed, and the qualified provider provides a written guarantee that the energy or operating cost savings will meet or exceed the costs of the system. The guaranteed energy savings contract may provide for payments over a period of time, not to exceed ten years. Notwithstanding section 121.912, a district

annually may transfer from the general fund to the capital expenditure fund an amount up to the amount saved in energy and operation costs as a result of guaranteed energy savings contracts.

Sec. 4. [124A.697] [TITLE.]

Sections 4 to 8 may be cited as the "Minnesota education finance act of 1992."

Sec. 5. [124A.70] [BASIC INSTRUCTIONAL AID.]

Subdivision 1. [BASIC OUTCOMES.] Basic outcomes are defined as learner outcomes that must be achieved as a requirement for graduation, specified in rule by the state board of education. Basic outcomes are those outcomes that have standards of achievement determined by the state board.

Subd. 2. [AID AMOUNT.] Basic instructional aid is equal to the aid allowance times the number of pupil units for the school year. The aid allowance for fiscal year 2000 and thereafter is zero.

Subd. 3. [SPECIAL NEED AID.] Each district shall receive special need aid equal to zero times the number of actual pupil units for the school year times the district's special need index.

Subd. 4. [COST DIFFERENTIAL AID.] Each district shall receive aid equal to zero times the number of actual pupil units for the school year times its cost differential index. This aid is only available if the district has implemented a career teacher program.

Subd. 5. [AID USES.] Aid received under this section may only be used to deliver instructional services needed to assure that all pupils in the district achieve basic outcomes through the following uses:

(1) salaries and benefits for licensed and nonlicensed instructional staff used to instruct or direct instructional delivery or provide academic instructional support services;

(2) instructional supplies and resources including, but not limited to, curricular materials, maps, individualized instructional materials, test materials, and other related supplies;

(3) tuition payments to other service providers for direct instruction or instructional materials; and

(4) computers, interactive television, and other technologically related equipment used in the direct delivery of instruction.

Sec. 6. [124A.71] [ELECTIVE INSTRUCTIONAL REVENUE.]

Subdivision 1. [ELECTIVE OUTCOMES.] Elective outcomes are defined as learner outcomes that may be offered to students that are not defined as basic outcomes. The standards of achievement of elective outcomes are determined by the local school board.

Subd. 2. [REVENUE.] Elective instructional revenue is equal to the elective instructional revenue allowance times the number of pupil units for the school year. The revenue allowance for fiscal year 2000 and thereafter is zero.

Subd. 3. [LEVY.] Elective instructional levy is equal to elective instructional revenue times the lesser of one or the ratio of:

(1) net tax capacity divided by the number of pupil units for the year the revenue is attributable, divided by

(2) the equalizing factor.

Subd. 4. [AID.] Elective instructional aid is equal to elective instructional revenue minus elective instructional levy. If a district levies less than the authorized amount, the aid shall be reduced proportionately.

Subd. 5. [REVENUE USE.] Elective instructional revenue may only be used for the following purposes:

(1) salaries and benefits for licensed and nonlicensed instructional staff used to instruct or direct instructional delivery;

(2) instructional supplies and resources including, but not limited to, curricular materials, maps, individualized instructional materials, test materials, and other related supplies;

(3) tuition payments to other service providers for direct instruction or instructional materials;

(4) computers, interactive television, and other technologically related equipment used in the direct delivery of instruction;

(5) instructional support services including staff development, curriculum development, and other instructional support services;

(6) pupil support services including health, counseling, and psychological services;

(7) administrative costs that are not to exceed five percent of the operating budget for the year; and

(8) school district facility operations and maintenance.

Sec. 7. [124A.72] [LOCAL DISCRETIONARY REVENUE.]

Subdivision 1. [LOCAL DISCRETIONARY REVENUE.] Local discretionary revenue is available for districts to implement programs to offer outcomes or to cover other district operating expenditures not provided according to sections 4 and 5.

Subd. 2. [REVENUE.] A district's local discretionary revenue is equal to the amount authorized according to section 124A.03. Revenue may not exceed zero times the actual pupil units for the year the revenue is attributable.

Subd. 3. [LEVY.] Local discretionary levy is equal to local discretionary revenue times the lesser of one or the ratio of:

(1) net tax capacity divided by the number of pupil units for the year the revenue is attributable, divided by

(2) the equalizing factor.

Subd. 4. [AID.] Local discretionary aid is equal to local discretionary revenue minus local discretionary levy. If a district levies less than the authorized amount, the aid shall be reduced proportionately.

Sec. 8. [124A.73] [EDUCATION TRUST FUND.]

Subdivision 1. [CREATION.] The commissioner shall deposit to the credit of the education trust fund all money available to the credit of the trust. The commissioner shall maintain the trust as a separate fund to be used only to pay money as provided by law to school districts or to repay advances made from the general fund, as provided under subdivision 4.

Subd. 2. [APPROPRIATION.] The money to be paid by law from the education trust fund is appropriated annually.

Subd. 3. [ESTIMATES; REDUCTION OF PAYMENTS.] (a) At the beginning of each fiscal year, the commissioner, in consultation with the commissioner of revenue, shall estimate for the fiscal year:

(1) the amount of revenues to be deposited in the trust fund and other law; and

(2) the payments authorized by law to be made out of the trust.

(b) If the estimated payments exceed the estimated receipts of the trust fund, the appropriations from the trust to each program are proportionately reduced, unless otherwise provided by law.

Subd. 4. [GENERAL FUND ADVANCE.] If the money in the trust fund is insufficient to make payments on the dates provided by law, but the commissioner estimates receipts for the fiscal year will be sufficient, the commissioner shall advance money from the general fund to the trust fund necessary to make the payments. On or before the close of the biennium, the trust shall repay the advances with interest, calculated at the rate of earnings on invested treasurer's cash, to the general fund.

Sec. 9. [124C.62] [SUMMER HEALTH CARE INTERNS.]

Subdivision 1. [SUMMER INTERNSHIPS.] The commissioner of education shall award grants to hospitals and clinics to establish a summer health care intern program for pupils who intend to complete high school graduation requirements and who are between their junior and senior year of high school. The purpose of the program is to expose interested high school pupils to various careers within the health care profession.

Subd. 2. [CRITERIA.] (a) The commissioner, with the advice of the Minnesota medical association and the Minnesota hospital association, shall establish criteria for awarding grants to hospitals and clinics.

(b) The criteria must include, among other things:

(1) the kinds of formal exposure to the health care profession a hospital or clinic can provide to a pupil;

(2) the need for health care professionals in a particular area; and

(3) the willingness of a hospital or clinic to pay one-half the costs of employing a pupil.

(c) The Minnesota medical association and the Minnesota hospital association must provide the commissioner, by January 31, 1993, with a list of hospitals and clinics willing to participate in the program and what provisions those hospitals or clinics will make to ensure a pupil's adequate exposure to the health care profession, and indicate whether a hospital or clinic is willing to pay one-half the costs of employing a pupil.

Subd. 3. [GRANTS.] The commissioner shall award grants to hospitals and clinics meeting the requirements of subdivision 2. The grants must be used to pay one-half of the costs of employing a pupil in a hospital or clinic during the course of the program. No more than five pupils may be selected from any one high school to participate in the program and no more than one-half of the number of pupils selected may be from the seven-county metropolitan area.

Sec. 10. [126.239] [ADVANCED PLACEMENT AND INTERNATIONAL BACCALAUREATE PROGRAMS.]

Subdivision 1. [TRAINING PROGRAMS FOR TEACHERS.] A secondary teacher assigned by a school district to teach an advanced placement or international baccalaureate course may participate in a training program offered by the college board or International Baccalaureate North America, Inc. The state may pay a portion of the tuition, room, and board costs a teacher incurs in participating in a training program. The commissioner of education shall determine application procedures and deadlines, and select teachers to participate in the training program. The procedures determined by the commissioner shall, to the extent possible, ensure that advanced placement and international baccalaureate courses become available in all parts of the state and that a variety of course offerings are available in school districts. This subdivision does not prevent teacher participation in training programs offered by the college board or International Baccalaureate North America, Inc., when tuition is paid by a source other than the state.

Subd. 2. [SUPPORT PROGRAMS.] The commissioner shall provide support programs during the school year for teachers who attended the training programs and teachers experienced in teaching advanced placement or international baccalaureate courses. The support programs shall provide teachers with opportunities to share instructional ideas with other teachers. The state may pay the costs of participating in the support programs, including substitute teachers, if necessary, and program affiliation costs.

Subd. 3. [SUBSIDY FOR EXAMINATION FEES.] The state may pay all or part of the fee for advanced placement or international baccalaureate examinations for pupils in public and nonpublic schools whose circumstances make state payment advisable. The state board of education shall adopt a schedule for fee subsidies that may allow payment of the entire fee for low-income families, as defined by the state board. The state board may also determine the circumstances under which the fee is subsidized, in whole or in part. The state board shall determine procedures for state payments of fees.

Subd. 4. [INFORMATION.] The commissioner shall submit the following information to the education committees of the legislature each year by January 1:

(1) the number of pupils enrolled in advanced placement and international baccalaureate courses in each school district;

(2) the number of teachers in each district attending training programs offered by the college board or International Baccalaureate North America, Inc.;

(3) the number of teachers in each district participating in support programs;

(4) recent trends in the field of advanced placement and international baccalaureate programs;

(5) expenditures for each category in this section; and

(6) other recommendations for the state program.

Sec. 11. Minnesota Statutes 1991 Supplement, section 275.125, subdivision 6j, is amended to read:

Subd. 6j. [LEVY FOR CRIME RELATED COSTS.] For taxes levied in 1991 and subsequent years, payable in 1992 only and subsequent years, each school district may make a levy on all taxable property located within the school district for the purposes specified in this subdivision. The maximum amount which may be levied for all costs under this subdivision shall be equal to \$1 multiplied by the population of the school district. For purposes of this subdivision, "population" of the school district means the same as contained in section 275.14. The proceeds of the levy must be used for reimbursing the cities and counties who contract with the school district for the following purposes: (1) to pay the costs incurred for the salaries, benefits, and transportation costs of peace officers and sheriffs for liaison services in the district's middle and secondary schools, and (2) to ~~teach drug abuse resistance education curricula~~ pay the costs for a drug abuse prevention program as defined in section 609.101, subdivision 3, paragraph (f) in the elementary schools, and ~~(3) to pay the costs incurred for the salaries and benefits of peace officers and sheriffs whose primary responsibilities are to investigate controlled substance crimes under chapter 152.~~ The school district must initially attempt to contract for these services with the police department of each city or the sheriff's department of the county within the school district containing the school receiving the services. If a local police department or a county sheriff's department does not wish to provide the necessary services, the district may contract for these services with any other police or sheriff's department located entirely or partially within the school district's boundaries. The levy authorized under this subdivision is not included in determining the school district's levy limitations and must be disregarded in computing any overall levy limitations under sections 275.50 to 275.56 of the participating cities or counties.

Sec. 12. Minnesota Statutes 1990, section 275.125, is amended by adding a subdivision to read:

Subd. 6k. [HEALTH INSURANCE LEVY.] (a) A school district may levy the amount necessary to make employer contributions for insurance for retired employees under this subdivision. Notwithstanding section 121.904, 50 percent of the amount levied shall be

recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing the aid reduction under section 124.155.

(b) The school board of a joint vocational technical district formed under sections 136C.60 to 136C.69 and the school board of a school district may provide employer-paid hospital, medical, and dental benefits to a person who:

(1) is eligible for employer-paid insurance under collective bargaining agreements or personnel plans in effect on the day before the effective date of this section;

(2) has at least 25 years of service credit in the public pension plan of which the person is a member on the day before retirement or, in the case of a teacher, has a total of at least 25 years of service credit in the teachers retirement association, a first-class city teacher retirement fund, or any combination of these;

(3) upon retirement is immediately eligible for a retirement annuity;

(4) is at least 55 and not yet 65 years of age; and

(5) retires on or after May 15, 1992, and before July 21, 1992.

A school board paying insurance under this subdivision may not exclude any eligible employees.

(c) An employee who is eligible both for the health insurance benefit under this subdivision and for an early retirement incentive under a collective bargaining agreement or personnel plan established by the employer must select either the early retirement incentive provided under the collective bargaining agreement personnel plan or the incentive provided under this subdivision, but may not receive both. For purposes of this subdivision, a person retires when the person terminates active employment and applies for retirement benefits. The retired employee is eligible for single and dependent coverages and employer payments to which the person was entitled immediately before retirement, subject to any changes in coverage and employer and employee payments through collective bargaining or personnel plans, for employees in positions equivalent to the position from which the employee retired. The retired employee is not eligible for employer-paid life insurance. Eligibility ceases when the retired employee attains the age of 65, or when the employee chooses not to receive the retirement benefits for which the employee has applied, or when the employee is eligible for employer-paid health insurance from a new employer. Coverages must be coordinated with relevant health insurance benefits provided through the federally sponsored Medicare program.

(d) An employee who retires under this subdivision using the rule of 90 must not be included in the calculations required by section 356.85.

(e) Unilateral implementation of this section by a public employer is not an unfair labor practice for purposes of chapter 179A. The authority provided in this subdivision for an employer to pay health insurance costs for certain retired employees is not subject to the limits in section 179A.20, subdivision 2a.

(f) If a school district levies according to this subdivision, it may not also levy according to article 6, section 9, for eligible employees.

Sec. 13. Minnesota Statutes 1990, section 275.125, is amended by adding a subdivision to read:

Subd. 24. [RETIRED EMPLOYEE HEALTH BENEFITS LEVY.] For taxes payable in 1993 and 1994 only, a school district may levy an amount up to the amount the district is required by the collective bargaining agreement in effect on March 30, 1992, to pay for health insurance or unreimbursed medical expenses for licensed and non-licensed employees who have terminated services in the employing district and withdrawn from active teaching service or other active service, as applicable, before July 1, 1992. The total amount of the levy each year may not exceed \$300,000.

Notwithstanding section 121.904, 50 percent of the proceeds of this levy shall be recognized in the fiscal year in which it is certified.

Sec. 14. Laws 1991, chapter 265, article 8, section 14, is amended to read:

Sec. 14. [NONOPERATING FUND TRANSFERS.]

On By June 30, 1992, and by June 30, 1993, a school district may permanently transfer money from the capital expenditure fund facilities or equipment accounts and from the debt redemption fund, to the extent the transferred money is not needed for principal and interest payments on bonds outstanding at the time of transfer, to the transportation fund, capital expenditure fund, or the debt redemption fund. A transfer may not be made from the capital expenditure facilities or equipment accounts that results in a deficit account balance in either account or a deficit in the combined account balance for facilities and equipment as of June 30, 1992, or as of June 30, 1993. No levies and no state aids shall be reduced as a result of a transfer. Each district transferring money according to this section from the capital expenditure facilities or equipment accounts shall report to the commissioner of education a report of on each transfer. A district may not transfer money from the debt redemption fund to the capital expenditure fund or to the transpor-

tation fund without prior approval from the commissioner of education. The commissioner shall approve a transfer from the debt redemption fund only if the district retired its bonded indebtedness during fiscal year 1992 or 1993 or the district's 1991 payable 1992 or 1992 payable 1993 debt service levy was reduced to zero according to Minnesota Statutes, section 475.61, subdivision 3. The commissioner of education shall report to the chairs of the education funding divisions of the house of representatives and the senate the aggregate transfers, by fund, made by school districts.

Sec. 15. [COMPLEMENT.]

The complement of the department of education is increased by .5 for fiscal year 1993 for coordinating the advanced placement and international baccalaureate training programs.

Sec. 16. [OPERATING DEBT LEVY FOR LAKE SUPERIOR SCHOOL DISTRICT.]

Subdivision 1. [OPERATING DEBT ACCOUNT.] On July 1, 1992, independent school district No. 381, Lake Superior, shall establish a reserved account in the general fund. The balance in the account shall equal the unreserved undesignated fund balance in the operating funds of the district as of June 30, 1992.

Subd. 2. [LEVY.] For taxes payable in each of the years 1993 through 1997, the district may levy an amount up to 20 percent of the balance in the account on July 1, 1992. The balance in the account shall be adjusted each year by the amount of the proceeds of the levy. The proceeds of the levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

Subd. 3. [NO LOCAL APPROVAL.] Pursuant to Minnesota Statutes, section 645.023, subdivision 1, paragraph (a), this section is effective without local approval.

Sec. 17. [OPERATING DEBT LEVY FOR COLERAINE SCHOOL DISTRICT.]

Subdivision 1. [OPERATING DEBT ACCOUNT.] On July 1, 1992, independent school district No. 316, Coleraine, shall establish a reserved account in the general fund. The balance in the account shall equal the unreserved undesignated fund balance in the operating funds of the district as of June 30, 1992.

Subd. 2. [LEVY.] For taxes payable in each of the years 1993 through 1997, the district may levy an amount up to 20 percent of the balance in the account on July 1, 1992. The balance in the

account shall be adjusted each year by the amount of the proceeds of the levy. The proceeds of the levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

Subd. 3. [NO LOCAL APPROVAL.] Pursuant to Minnesota Statutes, section 645.023, subdivision 1, paragraph (a), this section is effective without local approval.

Sec. 18. [FUND TRANSFER; NASHWAUK-KEEWATIN.]

Notwithstanding Minnesota Statutes, section 121.912, subdivision 1, or any other law to the contrary, on June 30, 1992, independent school district No. 319, Nashwauk-Keewatin, may permanently transfer \$40,000 from the bus purchase account to the capital expenditure fund without making a levy reduction.

Sec. 19. [FUND TRANSFER; LESTER PRAIRIE.]

Notwithstanding any law to the contrary, on June 30, 1992, independent school district No. 424, Lester Prairie, may transfer \$100,000 from its general fund to its capital expenditure fund to purchase computer and interactive television equipment that the district is leasing.

Sec. 20. [FUND TRANSFER; ELLENDALE-GENEVA.]

Notwithstanding any other law to the contrary, on June 30, 1992, independent school district No. 762, Ellendale-Geneva, may transfer \$100,000 from its general fund to its capital expenditure fund to purchase computer equipment.

Sec. 21. [FUND TRANSFER; RANDOLPH.]

Notwithstanding Minnesota Statutes, section 121.912, subdivision 1, or any other law to the contrary, on June 30, 1992, independent school district No. 195, Randolph, may permanently transfer money from any operating fund other than the community service fund and any nonoperating fund other than the debt redemption fund to the general fund.

Sec. 22. [NETT LAKE; CARRYFORWARD.]

The appropriations for grants to Nett Lake for unemployment compensation payments and insurance premiums contained in Laws 1991, chapter 265, article 8, section 19, subdivision 14, do not cancel and the balances are available in fiscal year 1993.

Sec. 23. [APPROPRIATION.]

(a) Money appropriated in Laws 1990, chapter 562, article 12, section 2, for a summer health intern program does not cancel but is available to the commissioner for the fiscal year ending June 30, 1993, as specified in this section:

(1) \$12,000 is available for the operating expenses of the Minnesota education in agriculture leadership council; and

(2) the remaining amount is available for purposes of section 3.

(b) Up to ten percent of the amount in paragraph (a), clause (2) may be used by the commissioner to secure services of vocational licensed instructors or other health personnel to coordinate and facilitate the internship program.

Sec. 24. [APPROPRIATION; GRANT FOR SCIENCE AND MATH.]

\$150,000 in fiscal year 1993 is appropriated from the general fund to the commissioner of education to supplement a grant from the National Science Foundation. The appropriation is for a systemic initiative in science and mathematics education.

Sec. 25. [LEARNING READINESS AID.]

The department of education shall report to the education committees of the legislature by January 1, 1993, a formula for learning readiness aid for school districts. The formula shall take into consideration the number of participating eligible children in school districts, provide incentives to districts to conduct outreach activities, encourage all eligible children to participate, and provide adequate services to individual children based on each child's needs.

Sec. 26. [ICE ARENA LEVY.]

(a) Each year, an independent school district operating and maintaining an ice arena, may levy for the net operational costs of the ice arena. The levy may not exceed the net actual costs of operation of the arena for the previous year. Net actual costs are defined as operating costs less any operating revenues.

(b) Any school district operating and maintaining an ice arena must demonstrate to the satisfaction of the office of monitoring in the department of education that the district will offer equal sports opportunities for male and female students to use its ice arena, particularly in areas of access to prime practice time, team support, and providing junior varsity and younger level teams for girls' ice sports and ice sports offerings.

Sec. 27. [DEPARTMENT STUDY.]

Subdivision 1. [WORK WITH DISTRICTS.] The department of education shall work with school districts to determine the required educational services and costs of the services needed to establish the allowances in sections 5 to 8. The department may establish a representative sample of districts to include in the research. The department shall evaluate the inclusion of revenue provided under Minnesota Statutes, sections 124.311, 124.32, 124.332, 124.573, and 124.574, in the allowance. The department shall report to the education committees of the legislature on the progress of the study on February 1 of each year.

Subd. 2. [INDEX.] The department shall evaluate and develop a cost differential index for each school district. The index shall distinguish the prices and costs of resources needed to provide instructional services over which a local board may exercise discretion from those prices and costs of resources over which the district cannot exercise discretion.

Subd. 3. [ANOTHER INDEX.] The department shall evaluate and develop a special need index for each school district. The department may consider the number of children in the district that are eligible for aid to families with dependent children or for free and reduced lunches and any other indicators determined to significantly affect the ability of a child to achieve adopted outcomes.

Sec. 28. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] The sums indicated in this section are appropriated from the general fund to the department of education for the fiscal years designated.

Subd. 2. [ADVANCED PLACEMENT AND INTERNATIONAL BACCALUREATE PROGRAMS.] For the state advanced placement and international baccalaureate programs, including training programs, support programs, and examination fee subsidies:

\$300,000 1993

Sec. 29. [APPROPRIATION.]

There is appropriated from the general fund to the department of education \$20,000 for fiscal year 1993 to continue the programming of Laws 1990, chapter 562, article 7, section 24, subdivision 3.

Sec. 30. [REPEALER.]

Minnesota Statutes 1990, section 124.274; and Laws 1990, chapter 562, article 12, are repealed.

Sec. 31. [REPEALER.]

Minnesota Statutes 1990, sections 124A.02, subdivision 24; 124A.23, subdivisions 2 and 3; 124A.26, subdivisions 2 and 3; 124A.27; 124A.28; and 124A.29, subdivision 2; and Minnesota Statutes 1991 Supplement, sections 124A.02, subdivisions 16 and 23; 124A.03, subdivisions 1b, 1c, 1d, 1e, 1f, 1g, 1h, and 1i; 124A.04; 124A.22, subdivisions 2, 3, 4, 4a, 4b, 8, and 9; 124A.23, subdivisions 1, 4, and 5; 124A.24; 124A.26, subdivision 1; and 124A.29, subdivision 1, are repealed effective June 30, 1999; Laws 1991, chapter 265, article 7, section 35, is repealed.

Sec. 32. [EFFECTIVE DATE.]

Sections 1, 9, 14, 18, 19, 20, 21, 22, 23, and 30 are effective the day following final enactment. Sections 4 to 8 are effective for revenue for fiscal year 2000.

ARTICLE 8

MISCELLANEOUS

Section 1. Minnesota Statutes 1990, section 121.16, subdivision 1, is amended to read:

Subdivision 1. The department shall be under the administrative control of the commissioner of education which office is established. The commissioner shall be the secretary of the state board. The commissioner shall be appointed by the state board with the approval of the governor under the provisions of section 15.06. For purposes of section 15.06, the state board is the appointing authority.

The commissioner shall be a person who possesses educational attainment and breadth of experience in the administration of public education and of the finances pertaining thereto commensurate with the spirit and intent of this code. Notwithstanding any other law to the contrary, the commissioner may appoint two deputy commissioners who shall serve in the unclassified service. The commissioner shall also appoint other employees as may be necessary for the organization of the department. The commissioner shall perform such duties as the law and the rules of the state board may provide and be held responsible for the efficient administration and discipline of the department. The commissioner shall make recommendations to the board and be charged with the execution of powers and duties which the state board may prescribe, from time to time, to promote public education in the state, to safeguard the finances pertaining thereto, and to enable the state board to carry out its duties.

Sec. 2. Minnesota Statutes 1991 Supplement, section 121.585, subdivision 3, is amended to read:

Subd. 3. [HOURS OF INSTRUCTION.] Pupils participating in a program must be able to receive the same total number of hours of instruction they would receive if they were not in the program. If a pupil has not completed the graduation requirements of the district after completing the minimum number of secondary school hours of instruction, the district may allow the pupil to continue to enroll in courses needed for graduation.

For the purposes of section 120.101, subdivision 5, the minimum number of hours for a year determined for the appropriate grade level of instruction shall constitute 170 days through the 1994-1995 school year and the number of days of instruction required under section 120.101, subdivision 5b thereafter. Hours of instruction that occur after the close of the instructional year in June shall be attributed to the following fiscal year.

Sec. 3. Minnesota Statutes 1990, section 121.935, is amended by adding a subdivision to read:

Subd. 9. [FINANCIAL SERVICES.] Regional management information centers may provide financial management information services to cities, counties, towns, or other governmental units at mutually negotiated prices.

Sec. 4. Minnesota Statutes 1990, section 123.58, is amended by adding a subdivision to read:

Subd. 12. [SERVICES.] Educational cooperative service units may provide administrative, purchasing, and data processing services to cities, counties, towns, or other governmental units at mutually negotiated prices.

Sec. 5. Minnesota Statutes 1990, section 123.744, as amended by Laws 1991, chapter 265, article 9, section 41, as reenacted, is amended to read:

[123.744] [SCHOOL BOARDS; STUDENT MEMBERS.]

The board of directors of any school district shall appoint a student to serve as an advisory member to the school board or shall establish a youth advisory council to make formal and informal recommendations to the school board. If a student advisory member is appointed to the board, the student shall serve as an advisory member to the board only while attending school in the district, and shall not receive any compensation or be reimbursed. The board may reimburse the student advisory member for any expenses incurred the student incurs while serving in this capacity on the board.

A student advisory member shall be permitted to attend school board meetings, to be furnished with agenda materials, to introduce

items for inclusion in the agenda, and to participate in discussion but shall not be entitled to vote.

If a youth advisory council is established, the board shall meet with council members at least three times per year to discuss education matters and board actions affecting the district student population.

Neither the student member nor youth advisory council members may participate in any closed discussion concerning the negotiation or implementation of a collective bargaining agreement and must not be present at a closed meeting permitted under section 471.705, subdivision 1a or 1d.

Sec. 6. Minnesota Statutes 1991 Supplement, section 124.646, subdivision 4, is amended to read:

Subd. 4. [SCHOOL FOOD SERVICE FUND.] (a) The expenses described in this subdivision must be recorded as provided in this subdivision.

(b) In each school district, the expenses for a school food service program for pupils must be attributed to a school food service fund. Under a food service program, the school food service may prepare or serve milk, meals, or snacks in connection with school or community service activities.

(c) Revenues and expenditures for food service activities must be recorded in the food service fund. The costs of processing applications, accounting for meals, preparing and serving food, providing kitchen custodial services, and other expenses involving the preparing of meals or the kitchen section of the lunchroom may be charged to the food service fund or to the general fund of the district. The costs of lunchroom supervision, lunchroom custodial services, lunchroom utilities, and other administrative costs of the food service program, ~~including the costs attributable to the superintendent and the financial manager~~ must be charged to the general fund.

That portion of superintendent and fiscal manager costs that can be documented as attributable to the food service program may be charged to the food service fund provided that the school district does not employ or contract with a food service director or other individual who manages the food service program, or food service management company. If the cost of the superintendent or fiscal manager is charged to the food service fund, the charge must be at a wage rate not to exceed the statewide average for food service directors as determined by the department of education.

(d) Capital expenditures for the purchase of food service equip-

ment must be made from the capital fund and not the food service fund, unless two conditions apply:

(1) the unreserved balance in the food service fund at the end of the last fiscal year is greater than the cost of the equipment to be purchased; and

(2) the department of education has approved the purchase of the equipment.

(e) If the two conditions set out in paragraph (d) apply, the equipment may be purchased from the food service fund.

(f) If a deficit in the food service fund exists at the end of a fiscal year, and the deficit is not eliminated by revenues from food service operations in the next fiscal year, then the deficit must be eliminated by a permanent fund transfer from the general fund at the end of that second fiscal year. However, if a district contracts with a food service management company during the period in which the deficit has accrued, the deficit must be eliminated by a payment from the food service management company.

(g) Notwithstanding paragraph (f), a district may incur a deficit in the food service fund for up to three years without making the permanent transfer if the district submits to the commissioner by January 1 of the second fiscal year a plan for eliminating that deficit at the end of the third fiscal year.

(h) If a surplus in the food service fund exists at the end of a fiscal year for three successive years, a district may recode for that fiscal year the costs of lunchroom supervision, lunchroom custodial services, lunchroom utilities, and other administrative costs of the food service program charged to the general fund according to paragraph (c) and charge those costs to the food service fund in a total amount not to exceed the amount of surplus in the food service fund.

Sec. 7. Minnesota Statutes 1990, section 124C.61, is amended to read:

124C.61 [PARENTAL INVOLVEMENT PROGRAMS.]

Subdivision 1. [PROGRAM GOALS.] The department of education, in consultation with the state curriculum advisory committee, must develop guidelines and model plans for parental involvement programs that will:

(1) engage the interests and talents of parents or guardians in recognizing and meeting the emotional, intellectual, and physical needs of their school-age children;

(2) promote healthy self-concepts among parents or guardians and other family members;

(3) offer parents or guardians a chance to share and learn about educational skills, techniques, and ideas; and

(4) provide creative learning experiences for parents or guardians and their school-age children, including involvement from parents or guardians of color; and

(5) encourage parents to actively participate in their district's curriculum advisory committee under section 126.666 in order to assist the school board in improving children's education programs.

Subd. 2. [PLAN CONTENTS.] Model plans for a parental involvement program must include at least the following:

(1) program goals;

(2) means for achieving program goals;

(3) methods for informing parents or guardians, in a timely way, about the program;

(4) strategies for ensuring the full participation of parents or guardians, including those parents or guardians who lack literacy skills or whose native language is not English, including involvement from parents or guardians of color;

(5) procedures for coordinating the program with kindergarten through grade 12 curriculum, with parental involvement programs currently available in the community, with the PER process under sections 126.661 to 126.67, and with other education facilities located in the community;

(6) strategies for training teachers and other school staff to work effectively with parents and guardians;

(7) procedures for parents or guardians and educators to evaluate and report progress toward program goals; and

(8) a mechanism for convening a local community advisory committee composed primarily of parents or guardians to advise a district on implementing a parental involvement program.

Subd. 3. [PLAN ACTIVITIES.] Activities contained in the model plans must include:

(1) educational opportunities for families that enhance children's learning development;

(2) educational programs for parents or guardians on families' educational responsibilities and resources;

(3) the hiring, training, and use of parental involvement liaison workers to coordinate family involvement activities and to foster communication among families, educators, and students;

(4) curriculum materials and assistance in implementing home and community-based learning activities that reinforce and extend classroom instruction and student motivation;

(5) technical assistance, including training to design and carry out family involvement programs;

(6) parent resource centers;

(7) parent training programs and reasonable and necessary expenditures associated with parents' attendance at training sessions;

(8) reports to parents on children's progress;

(9) use of parents as classroom volunteers, tutors, and aides; or

(10) soliciting parents' suggestions in planning, developing, and implementing school programs;

(11) educational programs and opportunities for parents or guardians that are multicultural, gender fair, and disability sensitive; and

(12) involvement in a district's curriculum advisory committee or a school building team under section 126.666.

Sec. 8. Minnesota Statutes 1990, section 125.05, subdivision 1, is amended to read:

Subdivision 1. [QUALIFICATIONS AUTHORITY TO LICENSE.]

(a) ~~The authority to board of teaching shall license teachers, as defined in section 125.03, subdivision 1, is vested in the board of teaching except that the authority to for supervisory personnel, as defined in section 125.03, subdivision 4.~~

(b) ~~The state board of education shall license supervisory personnel as defined in section 125.03, subdivision 4, is vested in the state board of education. The authority to~~

(c) ~~The state board of technical colleges, according to section 136C.04, shall license post-secondary vocational and adult vocational teachers, support personnel, and supervisory personnel in technical colleges is vested in the state board of technical colleges according to section 136C.04, subdivision 9. Licenses must be issued~~

to persons the board of teaching or the state board of education finds to be competent for their respective positions. For teachers, as defined in section 125.03, subdivision 5, competency includes successful completion of an examination of skills in reading, writing, and mathematics for persons applying for initial licenses. Qualifications of teachers and other professional employees except supervisory personnel must be determined by the board of teaching under the rules it adopts.

(d) Licenses under the jurisdiction of the board of teaching and the state board of education must be issued through the licensing section of the department of education. Licenses under the jurisdiction of the state board of education must be issued through the licensing section of the department of education.

Sec. 9. Minnesota Statutes 1990, section 125.05, is amended by adding a subdivision to read:

Subd. 1a. [TEACHER AND SUPPORT PERSONNEL QUALIFICATIONS.] (a) The board of teaching shall issue licenses under its jurisdiction to persons the board finds to be qualified and competent for their respective positions.

(b) The board shall require a person to successfully complete an examination of skills in reading, writing, and mathematics before being admitted to a post-secondary teacher preparation program approved by the board if that person seeks to qualify for an initial teaching license to provide direct instruction to pupils in kindergarten, elementary, secondary, or special education programs.

(c) Before admission to a pilot internship program, the board shall require a person to successfully complete an examination of general pedagogical knowledge. Before granting a first continuing license to participants in the pilot projects, the board shall require a person to successfully complete a supervised and assessed internship in a professional development school and an examination of licensure-specific teaching skills. The board shall determine effective dates for the examination of general pedagogical knowledge, the internship, and examinations of licensure-specific skills.

Sec. 10. Minnesota Statutes 1990, section 125.05, is amended by adding a subdivision to read:

Subd. 1b. [PILOT PROJECTS.] (a) The board of teaching shall develop pilot projects on restructuring teacher preparation and licensure in Minnesota. The pilot projects shall evaluate models that require, as a condition for licensure, a year long internship following completion of an approved teacher preparation program. The pilot projects shall require supervision and assessment of interns according to guidelines adopted by the board. The board shall, through an independent contractor selected in consultation with the advisory

task force established in section 125.185, subdivision 4a, evaluate the effectiveness of the restructured licensure model in comparison to other models of preparing and licensing teachers, including models that provide internships within existing preparation programs.

(b) The board shall submit an appropriation request to the 1993 legislature to begin the pilot projects. The board shall, during the 1993-1995 biennium, identify sites for the pilot projects, create professional development schools, and prepare staff at the pilot sites. The board shall also assist colleges and universities participating in the pilot projects to redesign teacher education programs.

(c) The pilot projects shall be operational and begin admitting candidates for licensure in 1995.

(d) The board shall present an evaluation of the pilot projects and recommendations regarding statewide implementation of the restructured licensure model to the education committees of the legislature by January 15, 1998. The evaluation must be done by an independent contractor and must include the comments and recommendations of the advisory task force.

(e) It is the intent of the legislature that if the restructured licensure model proves effective, the model will be implemented statewide by the year 2000. The board shall not implement a statewide restructured licensure program without specific legislative authorization.

(f) The board shall, after consulting with the advisory task force, establish the qualifications for interns in the pilot projects and the requirements for an intern license.

Sec. 11. Minnesota Statutes 1990, section 125.05, is amended by adding a subdivision to read:

Subd. 1c. [SUPERVISORY AND COACH QUALIFICATIONS.] The state board of education shall issue licenses under its jurisdiction to persons the state board finds to be qualified and competent for their respective positions under the rules it adopts.

Sec. 12. Minnesota Statutes 1990, section 125.05, subdivision 7, is amended to read:

Subd. 7. [LIMIT ON FIELDS OF LICENSURE.] Unless the action of the board of teaching is approved by specific law, the board may not, after July 1, 1989:

- (1) develop additional fields of licensure;

(2) divide existing fields of licensure; or

(3) extend any licensure requirements to any duties that could be performed on March 15, 1989, without a license.

The board may establish fields for provisional licensure, but shall submit each field to the legislature for approval. If approval by specific law is not obtained within one year after the provisional license is established, the board shall discontinue the field of provisional licensure.

The board may study ways to reconfigure its licensure system to develop and propose flexibility within the existing licensure structure. The board may not proceed under chapter 14 until it reports the results of its study to the education committees of the legislature and obtains authorization by specific law, as required by this subdivision.

Sec. 13. Minnesota Statutes 1990, section 125.12, is amended by adding a subdivision to read:

Subd. 4b. [APPLICABILITY.] Subdivision 4a does not apply to a school district that has formally adopted a review process for continuing contract teachers that has been mutually agreed upon by the exclusive representative of the teachers in the district and the school board.

Sec. 14. Minnesota Statutes 1990, section 125.17, is amended by adding a subdivision to read:

Subd. 3b. [APPLICABILITY.] Subdivision 3a does not apply to a school district that has formally adopted a review process for nonprobationary teachers that has been mutually agreed upon by the exclusive representative of the teachers in the district and the school board.

Sec. 15. Minnesota Statutes 1991 Supplement, section 125.185, subdivision 4, is amended to read:

Subd. 4. [LICENSE AND RULES.] (a) The board shall adopt rules to license public school teachers and interns subject to chapter 14.

(b) The board shall adopt rules for examination of teachers, as defined in section 125.03, subdivision 5. The rules may allow for requiring successful completion of the an examination of skills in reading, writing, and mathematics before entering or during being admitted to a teacher education preparation program.

(c) The board shall adopt rules to approve teacher education preparation programs.

(d) The board of teaching shall provide the leadership and shall adopt rules by October 1, 1988, for the redesign of teacher education programs to implement a research based, results-oriented curriculum that focuses on the skills teachers need in order to be effective. The board shall implement new systems of teaching education teacher preparation program evaluation to assure program effectiveness based on proficiency of graduates in demonstrating attainment of program outcomes.

(e) The board shall adopt rules requiring successful completion of an examination of general pedagogical knowledge and examinations of licensure-specific teaching skills. The rules shall be effective on the dates determined by the board, but not later than July 1, 1999.

(f) Until July 1, 1998, the board may select schools to be pilot professional development schools according to initial criteria adopted by the board. Initial criteria are not subject to chapter 14. Upon specific legislative authorization to implement a statewide restructured licensure program, the board shall adopt rules to approve or disapprove professional development schools.

These rules (g) The board shall require adopt rules requiring teacher educators to work directly with elementary or secondary school teachers in elementary or secondary schools to obtain a periodic exposure to the elementary or secondary teaching environment.

(h) The board shall also grant licenses to interns and to candidates for initial licenses.

(i) The board shall design and implement an assessment system which requires candidates a candidate for an initial licensure license and first continuing licensure license to demonstrate the abilities necessary to perform selected, representative teaching tasks at appropriate levels.

(j) The board shall receive recommendations from local committees as established by the board for the renewal of teaching licenses.

(k) The board shall grant life licenses to those who qualify according to requirements established by the board, and suspend or revoke licenses pursuant to sections 125.09 and 214.10. Notwithstanding any law or rule to the contrary, The board shall not establish any expiration date for application for life licenses.

(l) With regard to post-secondary vocational education teachers the board of teaching shall adopt and maintain as its rules the rules of the state board of education and the state board of technical colleges.

Sec. 16. Minnesota Statutes 1991 Supplement, section 125.185, subdivision 4a, is amended to read:

Subd. 4a. ~~Notwithstanding section 125.05, or any other law to the contrary, the authority of the board of teaching and the state board of education to approve teacher education programs and to issue teacher licenses expires on June 30, 1996. Any license issued by the board of teaching or the state board of education after July 1, 1991, must expire by June 30, 1996.~~

The board of teaching, in cooperation with the state board of education and the higher education coordinating board, shall develop policies and corresponding goals for making teacher education preparation curriculum more consistent with the purpose of state public education. The revised teacher education preparation curriculum must be consistent with the board of teaching rules required under subdivision 4 for redesigning teacher education preparation programs to implement a research-based, results-oriented curriculum. The revised teacher education preparation curriculum may ~~shall~~ include, upon specific legislative authorization to implement a statewide restructured licensure program, a requirement that teacher education preparation programs contain a one-year mentorship program supervised and assessed internship in a professional development school approved by the board. ~~The mentorship internship program must provide students the interns with elementary or secondary teaching experience and appropriate professional support and evaluation from licensed classroom teachers, including mentor teachers. By February 1, 1992, the board of teaching shall provide the education committees of the legislature with detailed written guidelines, strategies, and programs to implement the revised teacher education curriculum. By February 1, 1993, the board of teaching and the state board of education shall adopt rules under chapter 14 that are consistent with the guidelines, strategies, and programs provided to the legislature in 1992, including amending board rules governing the issuing, expiring, and renewing of teacher licenses. The board shall not implement a statewide restructured licensure program without specific legislative authorization.~~

The board of teaching shall appoint an advisory task force to advise the board on implementing the restructured teacher preparation and licensure system. The task force shall consist of 25 members. Each of the following organizations shall select a member to serve on the task force: inter-faculty organization, University of Minnesota, Minnesota private college council, Minnesota association of colleges for teacher education, Minnesota education association, Minnesota federation of teachers, Minnesota association of teacher educators, Minnesota association of school administrators, Minnesota association of secondary school principals, Minnesota association of elementary school principals, Minnesota vocational association, Minnesota congress of parents, teachers, and students, Minnesota school boards association, education cooperative service

units, the state university system, the Minnesota state university student association, the Minnesota association of private college students, the University of Minnesota student senate, and the Minnesota business partnership. In addition, the board shall appoint one member of the board of teaching to the task force. The task force shall include three ex officio members representing the commissioner of education, the state board of education, and the higher education coordinating board. Expenses incurred by task force members shall be reimbursed by the organizations they represent.

During the pilot period of the plan, the advisory task force shall meet at least six times each year and advise the board on restructuring the teacher preparation and licensure system.

The board of teaching shall, after consulting with the advisory task force, submit a progress report on implementing the restructured teacher preparation and licensure system to the education committees of the legislature by January 1 of each year. Before fully implementing the restructured system, the board of teaching shall include a report on the pilot period.

The task force shall continuously monitor the progress of the pilot projects developed under section 125.05, subdivision 1b, and assist the board in addressing policy questions implicated in restructuring the teacher preparation and licensure system, including:

(1) what impact the restructured system has on low income or place-bound persons;

(2) how the restructured system ensures the ethnic and cultural diversity of the teaching force;

(3) what the cost implications of the restructured system are for students, public and private teacher preparation institutions, and the state;

(4) what the status of teacher interns under the restructured system is with respect to licensure, tenure, and retirement and other employment benefits;

(5) what the relationship is between teacher preparation institutions and internship programs under the restructured system; and

(6) what the comparative costs and benefits are of a restructured program and existing teacher preparation programs with an internship component.

The higher education coordinating board shall assist the state's teacher preparation institutions in developing teacher education preparation curriculum for their students that is consistent with the

guidelines, programs, and strategies approved by the legislature. ~~The institutions must use the revised teacher education curriculum to instruct their students beginning in the 1996-1997 school year.~~

The board of teaching shall disapprove a teacher preparation institution that has not implemented the revised teacher preparation curriculum by the 1996-1997 academic year.

Sec. 17. Minnesota Statutes 1990, section 127.46, is amended to read:

127.46 [SEXUAL HARASSMENT AND VIOLENCE POLICY.]

Each school board shall adopt a written sexual harassment and sexual violence policy that conforms with sections 363.01 to 363.15. The policy shall apply to pupils, teachers, administrators, and other school personnel, include reporting procedures, and set forth disciplinary actions that will be taken for violation of the policy. Disciplinary actions must conform with collective bargaining agreements and sections 127.27 to 127.39. The policy must be conspicuously posted ~~in~~ throughout each school building and included in each school's student handbook on school policies. Each school must develop a process for discussing the school's sexual harassment and violence policy with students and school employees.

Sec. 18. Minnesota Statutes 1990, section 128C.01, subdivision 4, is amended to read:

Subd. 4. [BOARD.] (a) The league must have a ~~21-member~~ 20-member governing board.

(1) ~~The commissioner of education, or the commissioner's representative, is a nonvoting member.~~

(2) The governor must appoint four members according to section 15.0597. Each of the four appointees must be a parent. At least one of them must be an American Indian, an Asian, a Black, or a Hispanic.

(3) ~~(2)~~ The Minnesota association of secondary school principals must appoint two of its members.

(4) ~~(3)~~ The remaining 14 members must be selected according to league bylaws.

(b) The terms, compensation, removal of members, and the filling of membership vacancies are governed by section 15.0575.

Sec. 19. Minnesota Statutes 1990, section 128C.02, is amended by adding a subdivision to read:

Subd. 1a. [ANNUAL REPORT.] The board annually shall prepare a written report containing the information about the league that the commissioner is required to obtain and review under section 128C.20. The board shall present copies of the report in a timely manner to the education committees of the legislature.

Sec. 20. Minnesota Statutes 1990, section 136C.69, subdivision 3, is amended to read:

Subd. 3. [LEVY.] (a) A member district that has transferred a technical college facility to the joint board may levy upon all taxable property in the member district, the following:

(1) in the first levy certified after the transfer, 75 percent of the amount of the district's most recent service fee allocation;

(2) in the second levy certified after the transfer, 50 percent of the amount of the district's service fee allocation under clause (1); and

(3) in the third levy certified after the transfer, 25 percent of the amount of the district's service fee allocation under clause (1).

(b) The proceeds of the levy may be placed in the general fund or any other fund of the district. Any unexpended portion of the proceeds so received must not be considered in the net undesignated fund balance of the member district for the three fiscal years to which the levy is attributable.

(c) Notwithstanding section 121.904, 50 percent of the proceeds of this levy shall be recognized in the fiscal year in which it is certified.

Sec. 21. Minnesota Statutes 1991 Supplement, section 275.065, subdivision 6, is amended to read:

Subd. 6. [PUBLIC HEARING; ADOPTION OF BUDGET AND LEVY.] Between November 15 and December 20, the governing bodies of the city and county shall each hold a public hearing to adopt its final budget and property tax levy for taxes payable in the following year, and the governing body of the school district shall hold a public hearing to review its current budget and adopt its property tax levy for taxes payable in the following year.

At the hearing, the taxing authority, other than a school district, may amend the proposed budget and property tax levy and must adopt a final budget and property tax levy, and the school district may amend the proposed property tax levy and must adopt a final property tax levy.

The property tax levy certified under section 275.07 by a city, county, or school district must not exceed the proposed levy deter-

mined under subdivision 1, except by an amount up to the sum of the following amounts:

(1) the amount of a school district levy whose voters approved a referendum to increase taxes under section 124.82, subdivision 3, 124A.03, subdivision 2, ~~or~~ 124B.03, subdivision 2, or 275.125, subdivision 14a, after the proposed levy was certified;

(2) the amount of a city or county levy approved by the voters under section 275.58 after the proposed levy was certified;

(3) the amount of a levy to pay principal and interest on bonds issued or approved by the voters under section 475.58 after the proposed levy was certified;

(4) the amount of a levy to pay costs due to a natural disaster occurring after the proposed levy was certified, if that amount is approved by the commissioner of revenue under subdivision 6a;

(5) the amount of a levy to pay tort judgments against a taxing authority that become final after the proposed levy was certified, if the amount is approved by the commissioner of revenue under subdivision 6a;

(6) the amount of an increase in levy limits certified to the taxing authority by the commissioner of revenue or the commissioner of education after the proposed levy was certified; and

(7) if not included in the certified levy, any additional amount levied pursuant to section 275.51, subdivision 7, paragraph (b).

At the hearing the percentage increase in property taxes proposed by the taxing authority, if any, and the specific purposes for which property tax revenues are being increased must be discussed. During the discussion, the governing body shall hear comments regarding a proposed increase and explain the reasons for the proposed increase. The public shall be allowed to speak and to ask questions prior to adoption of any measures by the governing body. The governing body, other than the governing body of a school district, shall adopt its final property tax levy prior to adopting its final budget.

If the hearing is not completed on its scheduled date, the taxing authority must announce, prior to adjournment of the hearing, the date, time, and place for the continuation of the hearing. The continued hearing must be held at least five business days but no more than 14 business days after the original hearing.

The hearing must be held after 5:00 p.m. if scheduled on a day other than Saturday. No hearing may be held on a Sunday. The

county auditor shall provide for the coordination of hearing dates for all taxing authorities within the county.

By August 1, the county auditor shall notify the clerk of each school district within the county of the dates that the county board has designated for its hearing and any continuation under subdivision 3. By August 15, each school board shall certify to the county auditors of the counties in which the school district is located the dates on which it elects to hold its hearings and any continuations under subdivision 3. If a school board does not certify the dates by August 15, the auditor will assign the hearing date. The dates elected or assigned must not conflict with the county hearing dates. By August 20, the county auditor shall notify the clerks of the cities within the county of the dates on which the county and school districts have elected to hold their hearings. At the time a city certifies its proposed levy under subdivision 1 it shall certify the dates on which it elects to hold its hearings and any continuations under subdivision 3. The city must not select dates that conflict with those elected by or assigned to the counties and school districts in which the city is located.

The hearing dates so elected or assigned must be designated on the notices required under subdivision 3.

This subdivision does not apply to towns and special taxing districts.

Sec. 22. Minnesota Statutes 1990, section 275.125, subdivision 14a, is amended to read:

Subd. 14a. [LEVY FOR LOCAL SHARE OF TECHNICAL COLLEGE CONSTRUCTION.] (a) The definitions in section 136C.02 apply to this subdivision. "Construction" includes acquisition and betterment of land, buildings, and capital improvements for technical colleges.

(b) A district maintaining a technical college may levy for its share of the cost of construction of technical college facilities as provided in this subdivision.

(c) The construction must be authorized by a specific legislative act pursuant to section 136C.07, subdivision 5, after January 1, 1980. The act must require the state to pay part of the cost of technical college construction and the district to pay part of the cost.

(d) The district may levy an amount equal to the local share of the cost of technical college construction minus the amount of any unreserved net balance in the district's technical college building construction fund. A district may levy the total amount authorized

by this subdivision in one year, or a proportionate amount of the total authorized amount each year for up to three successive years.

(e) ~~By the August 1~~ Before a district certifies the first levy pursuant to this subdivision, at least three weeks published notice of the proposed levy shall be given in the legal newspaper with the largest circulation in the district. The notice shall state the purpose and duration of the proposed levy and the amount of the proposed levy in dollars and in terms of the local tax rate. Upon petition within 20 days after the notice of the greater of (a) 50 voters, or (b) 15 percent of the ~~number of registered voters who voted in of the district at the most recent regular school board election on the day~~ petition is filed with the school board, the board shall call a referendum on the proposed levy. The referendum shall be held on a date set by the school board, but no later than ~~the September 20 before the levy is certified ten days prior to the adoption of the final property tax levy under section 275.065. The referendum shall be considered a referendum to increase taxes under section 275.065, subdivision 6.~~ The question on the ballot shall state the amount of the proposed levy in terms of the local tax rate and in dollars in the first year of the proposed levy.

(f) A district may not levy for the cost of a construction project pursuant to this subdivision if it issues any bonds to finance any costs of the project.

Sec. 23. Minnesota Statutes 1991 Supplement, section 298.28, subdivision 4, is amended to read:

Subd. 4. [SCHOOL DISTRICTS.] (a) 27.5 cents per taxable ton plus the increase provided in paragraph (d) must be allocated to qualifying school districts to be distributed, based upon the certification of the commissioner of revenue, under paragraphs (b) and (c).

(b) 5.5 cents per taxable ton must be distributed to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The distribution must be based on the apportionment formula prescribed in subdivision 2.

(c)(i) 22 cents per taxable ton, less any amount distributed under paragraph (e), shall be distributed to a group of school districts comprised of those school districts in which the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district indexes as follows: for each school district, its pupil units determined under section 124.17 for the prior school year shall be multiplied by the ratio of the average adjusted net tax capacity per pupil unit for school districts receiving aid under this clause as calculated pursuant to chapter 124A for the school year ending prior to distribution to the adjusted net tax

capacity per pupil unit of the district. Each district shall receive that portion of the distribution which its index bears to the sum of the indices for all school districts that receive the distributions.

(ii) Notwithstanding clause (i), each school district that receives a distribution under sections 298.018; 298.23 to 298.28, exclusive of any amount received under this clause; 298.34 to 298.39; 298.391 to 298.396; 298.405; or any law imposing a tax on severed mineral values that is less than the amount of its levy reduction under section 275.125, subdivision 9, for the second year prior to the year of the distribution shall receive a distribution equal to the difference; the amount necessary to make this payment shall be derived from proportionate reductions in the initial distribution to other school districts under clause (i).

(d) On July 15, in years prior to 1988, an amount equal to the increase derived by increasing the amount determined by paragraph (c) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in paragraph (c) where a levy increase pursuant to section 124A.03, subdivision 2, is authorized by referendum, according to the following formula. On July 15, 1988, the increase over the amount established for 1987 shall be determined as if there had been an increase in the tax rate under section 298.24, subdivision 1, paragraph (b), according to the increase in the implicit price deflator. On July 15, 1989, 1990, and 1991, the increase over the amount established for the prior year shall be determined according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1, paragraph (a). In 1992 and 1993, the amount distributed per ton shall be the same as that determined for distribution in 1991. In 1994, the amount distributed per ton shall be equal to the amount per ton distributed in 1991 increased in the same proportion as the increase between the fourth quarter of 1988 and the fourth quarter of 1992 in the implicit price deflator as defined in section 298.24, subdivision 1. On July 15, 1995, and subsequent years, the increase over the amount established for the prior year shall be determined according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1. Each district shall receive the product of:

(i) \$175 times the pupil units identified in section 124.17, subdivision 1, enrolled in the second previous year or the 1983-1984 school year, whichever is greater, less the product of 1.8 percent times the district's taxable net tax capacity in the second previous year; times

(ii) the lesser of:

(A) one, or

(B) the ratio of the sum of the amount certified pursuant to section 124A.03, subdivision 1g, in the previous year, plus the amount certified pursuant to section 124A.03, subdivision 1i, in the previous year, plus the referendum aid according to section 124A.03, subdivision 1h, for the current year, to the product of 1.8 percent times the district's taxable net tax capacity in the second previous year.

If the total amount provided by paragraph (d) is insufficient to make the payments herein required then the entitlement of \$175 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to paragraph (d) shall not be applied to reduce general education aid which the district receives pursuant to section 124A.23 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of iron range resources and rehabilitation who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in subdivision 11.

Each district receiving money according to this paragraph shall reserve \$25 times the number of pupil units in the district. It may use the money only for early childhood programs or for outcome-based learning programs that enhance the academic quality of the district's curriculum. The outcome-based learning programs must be approved by the commissioner of education.

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

Sec. 24. Minnesota Statutes 1991 Supplement, section 364.09, is amended to read:

364.09 [EXCEPTIONS.]

(a) This chapter shall not apply to the practice of law enforcement, to fire protection agencies, to eligibility for a private detective or protective agent license, to eligibility for a family day care license, a family foster care license, a home care provider license, ~~to eligibility for a license issued or renewed by the board of teaching or state board of education,~~ or to eligibility for school bus driver endorsements. ~~This chapter also shall not apply to eligibility for a license issued or renewed by the board of teaching or state board of education or to eligibility for juvenile corrections employment where the offense involved child physical or sexual abuse or criminal sexual conduct.~~

(b) This chapter does not apply to a school district.

(c) Nothing in this section shall be construed to preclude the Minnesota police and peace officers training board or the state fire marshal from recommending policies set forth in this chapter to the attorney general for adoption in the attorney general's discretion to apply to law enforcement or fire protection agencies.

Sec. 25. Laws 1990, chapter 366, section 1, subdivision 2, is amended to read:

Subd. 2. The superintendent of schools of special school district No. 1, Minneapolis, may appoint a person to each of the following positions in clauses (1) to (7) and more than one person to the positions in clauses (8) and (9) to perform the duties and services the superintendent may direct:

- (1) administrator/licensed personnel;
- (2) administrator/nonlicensed personnel;
- (3) administrative assistant finance and operations;
- (4) manager of transportation operations;
- (5) director of finance;
- (6) administrative assistant/research and development; and
- (7) director of affirmative action;
- (8) parent liaison; and
- (9) public school nurse.

Sec. 26. Laws 1991, chapter 265, article 8, section 19, subdivision 6, is amended to read:

Subd. 6. [SCHOOL LUNCH AND FOOD STORAGE AID.] For school lunch aid according to Minnesota Statutes, section 124.646, and Code of Federal Regulations, title 7, section 210.17, and for food storage and transportation costs for United States Department of Agriculture donated commodities; and for a temporary transfer to the commodity processing revolving fund to provide cash flow to permit schools and other recipients of donated commodities to take advantage of volume processing rates and for school milk aid according to Minnesota Statutes, section 124.648:

\$5,925,000 1992

\$5,925,000 1993

Any unexpended balance remaining from the appropriations in this subdivision shall be prorated among participating schools based on the number of free, reduced, and fully paid federally reimbursable student lunches served during that school year.

If the appropriation amount attributable to either year is insufficient, the rate of payment for each free, reduced, and fully paid federally reimbursable student lunch shall be reduced and the aid for that year shall be prorated among participating schools so as not to exceed the total authorized appropriation for that year.

Any temporary transfer processed in accordance with this subdivision to the commodity processing fund will be returned by June 30 in each year so that school lunch aid and food storage costs can be fully paid as scheduled.

Not more than \$800,000 of the amount appropriated each year may be used for school milk aid.

Sec. 27. [SEVERANCE PAY.]

Employees of the Hibbing technical college who are over the age of 50 and have more than 20 years of combined experience with independent school district No. 701 or Hibbing technical college as of July 1, 1992, shall have no loss in severance pay benefits due to the formation of a technical college district according to Minnesota Statutes, section 136C.71.

Sec. 28. [STUDY.]

(a) The Minnesota council on disabilities may conduct a study of the health needs of Minnesota students from birth to age 21 who are medically fragile or technology dependent. The council shall have the power to make grants, from money appropriated to it, to organizations or individuals in order to obtain assistance in conducting the study. The department of education may cooperate with the council in conducting the study.

(b) The study must result in:

(1) a working definition of the conditions labeled "medically fragile" and "technology dependent";

(2) an unduplicated census of children defined as medically fragile or technology dependent served by school districts;

(3) an unduplicated census of children defined as medically fragile or technology dependent served by licensed hospitals and nursing homes;

(4) identification of personnel and all other resources available to school districts to serve these children;

(5) identification of resources needed but not available to school districts to serve these children;

(6) recommended guidelines for serving the educational and support needs of these children;

(7) recommendations for appropriate training of educational and support staff to serve these children; and

(8) recommendations for better coordination of education, health, and social services to children and their families.

(c) The council is encouraged to involve representatives of the following groups:

(1) children who are medically fragile or technology dependent and their families;

(2) relevant professionals and paraprofessionals serving these children, including nurses, social workers, and teachers;

(3) advocates for children and families; and

(4) other relevant groups as determined by the commissioner.

(d) A preliminary report must be made to the legislature by February 1, 1993, and a final report must be made by February 1, 1994.

Sec. 29. [REENACTMENT.]

Minnesota Statutes 1990, section 123.744, as amended by Laws 1991, chapter 265, article 9, section 41, is reenacted.

Sec. 30. [PEER REVIEW MANDATE DELAY.]

Laws 1991, chapter 265, article 9, sections 45, 46, 47, 48, 52, 53, 54, and 55, are effective July 1, 1994, notwithstanding Laws 1991, chapter 265.

Sec. 31. [RECOMMENDATIONS ON BINDING ARBITRATION.]

As an alternative to the bargaining deadline and aid penalty in Minnesota Statutes, section 124A.22, subdivision 2a, the legislative commission on employee relations must evaluate and make recommendations to the legislature regarding the use of binding arbitra-

tion as a method to resolve negotiations at impasse between exclusive representatives for teachers and school boards. The report must be submitted by January 15, 1993.

Sec. 32. [LEGISLATIVE COMMITMENT TO A RESULTS-ORIENTED GRADUATION RULE.]

The legislature is committed to establishing a rigorous, results-oriented graduation rule for Minnesota's public school students. To that end, the state board of education shall use its rulemaking authority granted under Minnesota Statutes, section 121.11, subdivision 12, to adopt a statewide, results-oriented graduation rule according to the timeline in section 34. The board shall not prescribe in rule or otherwise the delivery system, form of instruction, or a single statewide form of assessment that local sites must use to meet the requirements contained in the rule.

Sec. 33. [STATE BOARD GRADUATION RULE.]

The state board of education shall report to the education committees of the legislature a progress report about the proposed high school graduation rule by February 1, 1993, and a final report about the proposed rule by January 1, 1994. Notwithstanding Minnesota Statutes, section 121.11, subdivision 12, the state board of education may continue its proceedings to adopt a graduation rule but must not take final action under Minnesota Statutes, sections 14.131 to 14.20 to adopt the rule before July 1. The 180-day time limit in Minnesota Statutes, section 14.19, does not apply to the rule.

Sec. 34. [BOARD OF TEACHING TO APPOINT LICENSING TASK FORCE.]

The board of teaching shall appoint a task force composed of board members and representatives of support personnel, including school counselors, school psychologists, school nurses, school social workers, media generalists and media supervisors, to study and recommend to the education committees of the legislature by February 15, 1993, the appropriate role for the board in licensing support personnel and whether support personnel should be required to successfully complete:

- (1) an examination of skills in reading, writing, and mathematics;
- (2) other examinations required of teachers; or
- (3) a supervised and assessed internship in a professional development school.

Expenses incurred by task force members shall be reimbursed by the organizations they represent.

Sec. 35. [REPEALER.]

Minnesota Statutes 1990, section 125.03, subdivision 5, is repealed.

Sec. 36. [EFFECTIVE DATES.]

Section 1 is effective the first Monday of January, 1995. Section 6 is effective retroactive to the beginning of the 1991-1992 school year. Section 25 is effective the day after the governing body of special school district No. 1, Minneapolis, complies with Minnesota Statutes, section 645.021, subdivision 3.

ARTICLE 9

CHOICE PROGRAMS

Section 1. Minnesota Statutes 1991 Supplement, section 120.062, subdivision 8a, is amended to read:

Subd. 8a. [EXCEPTIONS TO DEADLINES.] Notwithstanding subdivision 4, the following pupil application procedures apply:

(a) Upon agreement of the resident and nonresident school districts, a pupil may submit an application to a nonresident district after January 15 for enrollment beginning the following school year.

(b) If, as a result of entering into, modifying, or terminating an agreement ~~under section 122.541 or 122.535~~ between school boards, a pupil is assigned after December 1 to a different school ~~for enrollment beginning at any time~~, the pupil, the pupil's siblings, or any other pupil residing in the pupil's residence may submit an application to a nonresident district at any time before July 1 for enrollment beginning the following school year.

(c) A pupil who becomes a resident of a school district after December 1 may submit an application to a nonresident district on January 15 or any time after that date for enrollment beginning any time before the following December 1.

(d) If the commissioner of education and the commissioner of human rights determine that the policies, procedures, or practices of a school district are in violation of Title VI of the Civil Rights Act of 1964 (Public Law Number 88-352) or chapter 363, any pupil in the district may submit an application to a nonresident district at any time for enrollment beginning at any time.

For exceptions under this subdivision, the applicant, the applicant's parent or guardian, the district of residence, and the district of attendance must observe, in a prompt and efficient manner, the

application and notice procedures in subdivisions 4 and 6, except that the application and notice deadlines do not apply.

Sec. 2. Minnesota Statutes 1990, section 123.33, subdivision 7, is amended to read:

Subd. 7. The board shall superintend and manage the schools of the district; adopt rules for their organization, government, and instruction; keep registers; and prescribe textbooks and courses of study. The board may enter into an agreement with a post-secondary institution for secondary or post-secondary nonsectarian courses to be taught at a secondary school ~~or a~~ nonsectarian post-secondary institution, or another location.

Sec. 3. Minnesota Statutes 1991 Supplement, section 123.3514, subdivision 4, is amended to read:

Subd. 4. [AUTHORIZATION; NOTIFICATION.] Notwithstanding any other law to the contrary, an 11th or 12th grade pupil, except a foreign exchange pupil enrolled in a district under a cultural exchange program, may apply to an eligible institution, as defined in subdivision 3, to enroll in nonsectarian courses offered ~~at~~ by that post-secondary institution. If an institution accepts a secondary pupil for enrollment under this section, the institution shall send written notice to the pupil, the pupil's school district, and the commissioner of education within ten days of acceptance. The notice shall indicate the course and hours of enrollment of that pupil. If the pupil enrolls in a course for post-secondary credit, the institution shall notify the pupil about payment in the customary manner used by the institution.

Sec. 4. [REENACTMENT.]

Minnesota Statutes 1990, section 123.3514, subdivisions 6 and 6b, as amended by Laws 1991, chapter 265, article 9, sections 38 and 39, are reenacted.

Sec. 5. Laws 1991, chapter 265, article 9, section 75, is amended to read:

Sec. 75. [REPEALER.]

Minnesota Statutes 1990, sections 120.105; 121.932, subdivision 1; 121.933, subdivision 2; 121.935, subdivision 3; 121.937, subdivision 2; 122.43, subdivision 1; ~~123.3514, subdivisions 6 and 6b;~~ and 123.73, are repealed. Minnesota Rules, parts 3560.0030, subparts 2(A), 4, and 5; 3560.0040, subparts 2 and 4; and 3560.0060, are repealed.

~~Minnesota Statutes 1990, section 123.744, is repealed.~~ Laws 1988,

chapter 703, article 1, section 23, as amended by Laws 1989, chapter 293, section 81; and Laws 1989, chapters 293, section 82, and 329, article 9, section 30, are repealed.

Sec. 6. Minnesota Statutes 1990, section 123.3514, is amended by adding a subdivision to read:

Subd. 4e. [COURSES ACCORDING TO AGREEMENTS.] An eligible pupil, according to subdivision 4, may enroll in a nonsectarian course taught by a secondary teacher or a post-secondary faculty member and offered at a secondary school, or another location, according to an agreement between a school board and the governing body of an eligible public post-secondary system or an eligible private post-secondary institution, as defined in subdivision 3. All provisions of this section shall apply to a pupil, school board, school district, and the governing body of a post-secondary institution, except as otherwise provided.

Sec. 7. Minnesota Statutes 1990, section 123.3514, subdivision 6, as amended by Laws 1991, chapter 265, article 9, section 38, as reenacted, is amended to read:

Subd. 6. [FINANCIAL ARRANGEMENTS.] At the end of each school year For a pupil enrolled in a course under this section, the department of education shall pay the tuition reimbursement amount within 30 days to the post-secondary institutions make payments according to this subdivision for courses that were taken for secondary credit. The amount of tuition reimbursement shall equal the lesser of:

(1) the actual costs of tuition, textbooks, materials, and fees directly related to the course taken by the secondary pupil; or

(2) an amount equal to the difference between the basic revenue of the district for that pupil and an amount computed by multiplying the basic revenue of the district for that pupil by a ratio. The ratio to be used is the total number of hours that the pupil is enrolled in courses in the secondary school during the regular school year over the total number of secondary instructional hours per pupil in that pupil's resident district.

For fiscal year 1992, for a pupil attending a post-secondary institution under this section, whether the pupil is enrolled in the post-secondary institution for secondary credit, post-secondary credit, or a combination of both, a school district shall receive aid equal to the sum of:

(1) 12 percent of the formula allowance, according to section 124.22, subdivision 2, times 1.3; plus

(2) for a pupil who attends a secondary school part time, the formula allowance, according to section 124.22, subdivision 2, times 1.3, times the ratio of the total number of hours the pupil is in membership for courses taken by the pupil for credit, to 1020 hours.

If a pupil is enrolled in a course for post-secondary credit, the school district shall include the pupil in the average daily membership only for the portion of time during which the pupil is enrolled in courses at the secondary school and enrolled in courses at a post-secondary institution for secondary credit.

The department shall not pay any tuition reimbursement or other costs of make payments to a school district or post-secondary institution for a course taken for post-secondary credit only.

For fiscal year 1993 and thereafter, A public post-secondary system or private post-secondary institution shall be reimbursed according to receive the following:

(1) for an institution granting quarter credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the formula allowance, multiplied by 1.3, and divided by 45; or

(2) for an institution granting semester credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the general revenue formula allowance, multiplied by 1.3, and divided by 30.

The department of education shall pay to each public post-secondary system and to each private institution 100 percent of the amount in clause (1) or (2) within 30 days of receiving initial enrollment information each quarter or semester. If changes in enrollment occur during a quarter or semester, the change shall be reported by the post-secondary system or institution at the time the enrollment information for the succeeding quarter or semester is submitted. At any time the department of education notifies a post-secondary system or institution that an overpayment has been made, the system or institution shall promptly remit the amount due.

For fiscal year 1993 and thereafter, A school district shall receive:

(1) for a pupil who is not enrolled in classes at a secondary school, 12 percent of the formula allowance, according to section ~~124.22~~ 124A.22, subdivision 2, times 1.3; or

(2) for a pupil who attends a secondary school part time, 88 percent of the product of the formula allowance, according to section ~~124.22~~ 124A.22, subdivision 2, times 1.3, times the ratio of the total

number of hours the pupil is in membership for courses taken by the pupil for credit, to 1020 hours.

Sec. 8. Minnesota Statutes 1990, section 123.3514, subdivision 6b, as amended by Laws 1991, chapter 265, article 9, section 39, as reenacted, is amended to read:

Subd. 6b. [FINANCIAL ARRANGEMENTS, PUPILS AGE 21 OR OVER.] At the end of each school year For a pupil enrolled in a course according to this section, the department of education shall pay the tuition reimbursement amount to the post-secondary institutions make payments according to this subdivision for courses taken to fulfill high school graduation requirements by pupils eligible for adult high school graduation aid. The amount of the tuition reimbursement equals the lesser of:

(1) the actual costs of tuition, textbooks, materials, and fees directly related to the course or program taken by the pupil; or

(2) an amount equal to the difference between the adult high school graduation aid attributable to that pupil and an amount computed by multiplying the adult high school graduation aid by the ratio of the total number of hours that the pupil is enrolled in courses in the secondary school during the regular school year over the total number of secondary instructional hours per pupil in that pupil's resident district.

For fiscal year 1992, for a pupil attending a post-secondary institution under this section, whether the pupil is enrolled in the post-secondary institution for secondary credit, post-secondary credit, or a combination of both, a school district shall receive aid equal to the sum of:

(1) 12 percent of the formula allowance, according to section 124.22, subdivision 2, times 1.3; plus

(2) for a pupil who attends a secondary school part time, the adult high school graduation aid times 1.3, times the ratio of the total number of hours the pupil is in membership for courses taken by the pupil for credit, to 1020 hours.

If a pupil is enrolled in a course for post-secondary credit, the school district shall include the pupil in average daily membership as computed under section 120.17, subdivision 1, only for the portion of time during which the pupil is enrolled in courses at the secondary school and enrolled in courses at the post-secondary institution for secondary credit.

The department must not pay any tuition reimbursement or other

costs of make payments to a school district or post-secondary institution for a course taken for post-secondary credit only.

For fiscal year 1993 and thereafter, A public post-secondary system or private post-secondary institution shall be reimbursed according to receive the following:

(1) for an institution granting quarter credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the formula allowance, multiplied by 1.3, and divided by 45; or

(2) for an institution granting semester credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the general revenue formula allowance multiplied by 1.3, and divided by 30.

The department of education shall pay to each public post-secondary system and to each private institution 100 percent of the amount in clause (1) or (2) within 30 days of receiving initial enrollment information each quarter or semester. If changes in enrollment occur during a quarter or semester, the change shall be reported by the post-secondary system or institution at the time the enrollment information for the succeeding quarter or semester is submitted. At any time the department of education notifies a post-secondary system or institution that an overpayment has been made, the system or institution shall promptly remit the amount due.

For fiscal year 1993 and thereafter, A school district shall receive:

(1) for a pupil who is not enrolled in classes at a secondary program, 12 percent of the adult high school graduation aid general education formula allowance times .65, times 1.3; or

(2) for a pupil who attends classes at a secondary program part time, 88 percent of the product of the adult high school graduation aid general education formula allowance times .65, times 1.3, times the ratio of the total number of hours the pupil is in membership for courses taken by the pupil for credit to 1020 hours.

Sec. 9. Minnesota Statutes 1990, section 123.3514, is amended by adding a subdivision to read:

Subd. 6c. [FINANCIAL ARRANGEMENTS FOR COURSES PROVIDED ACCORDING TO AGREEMENTS.] The agreement between a school board and the governing body of a public post-secondary system or private post-secondary institution shall set forth the payment amounts and arrangements, if any, from the school board to the post-secondary institution. No payments shall be made by the department of education according to subdivision 6 or 6b. For the

purpose of computing state aids for a school district, a pupil enrolled according to subdivision 4e shall be counted in the average daily membership of the school district as though the pupil were enrolled in a secondary course that is not offered in connection with an agreement. Nothing in this subdivision shall be construed to prohibit a public post-secondary system or private post-secondary institution from receiving additional state funding that may be available under any other law.

Sec. 10. Minnesota Statutes 1991 Supplement, section 123.3514, subdivision 11, is amended to read:

Subd. 11. [PUPILS AT A DISTANCE 40 MILES OR MORE FROM AN ELIGIBLE INSTITUTION.] A pupil who is enrolled in a secondary school that is located 40 miles or more from the nearest eligible institution may request that the resident district offer at least one accelerated or advanced academic course within the resident district in which the pupil may enroll for post-secondary credit. A pupil may enroll in a course offered under this subdivision for either secondary or post-secondary credit according to subdivision 5.

A district must offer an accelerated or advanced academic course for post-secondary credit if one or more pupils requests such a course under this subdivision. The district may decide which course to offer, how to offer the course, and whether to offer one or more courses. The district must offer at least one such course in the next academic period and must continue to offer at least one accelerated or advanced academic course for post-secondary credit in later academic periods.

Sec. 11. Minnesota Statutes 1990, section 123.3514, is amended by adding a subdivision to read:

Subd. 11a. [PUPILS LESS THAN 40 MILES FROM AN ELIGIBLE INSTITUTION.] A pupil enrolled in a secondary school that is located less than 40 miles from the nearest eligible institution may enroll in a post-secondary course provided at the secondary school.

Sec. 12. Minnesota Statutes 1990, section 126.22, is amended by adding a subdivision to read:

Subd. 2a. [ADDITIONAL ELIGIBLE PUPILS.] In addition to the eligible pupils under subdivision 2, clauses (a), (b), and (c), the following pupils are eligible:

- (1) victims of physical or sexual abuse;
- (2) pupils who have experienced mental health problems; and

(3) pupils who have experienced homelessness any time within a six-month period prior to the date of requesting a transfer to an eligible program.

Sec. 13. Minnesota Statutes 1991 Supplement, section 126.23, is amended to read:

126.23 [AID FOR PRIVATE ALTERNATIVE PROGRAMS.]

If a pupil enrolls in a ~~nonsectarian~~ an alternative program, eligible under section 126.22, subdivision 3, paragraph (d), or subdivision 3a, operated by a private organization that has contracted with a school district to provide educational services for eligible pupils under section 126.22, subdivision 2, the resident district must reimburse the provider an amount equal to at least 88 percent of the basic revenue of the district for each pupil attending the program full time. For a pupil attending the program part time, basic revenue paid to the program shall be reduced proportionately, according to the amount of time the pupil attends the program, and basic revenue paid to the district shall be reduced accordingly. Pupils for whom a district provides reimbursement may not be counted by the district for any purpose other than computation of basic revenue, according to section 124A.22, subdivision 2. If payment is made to a district or program for a pupil under this section, the department of education shall not make a payment for the same pupil under section 126.22, subdivision 8.

Sec. 14. [135A.18] [AUTHORIZATION FOR AGREEMENTS.]

The governing board of a public post-secondary system may enter into an agreement with a school board to provide a nonsectarian course taught by secondary teachers or post-secondary faculty members to an eligible pupil, as defined in section 123.3514, subdivision 4, and offered at a secondary school or another location.

Sec. 15. [EFFECTIVE DATE.]

Section 3 is effective retroactively to July 1, 1991, and applies to the 1991-1992 and later school years. Sections 10 and 11 are effective July 1, 1993.

Sections 6 and 14 are effective retroactively to July 1, 1991.

ARTICLE 10

LIBRARIES

Section 1. Minnesota Statutes 1991 Supplement, section 13.40, subdivision 2, is amended to read:

Subd. 2. [PRIVATE DATA; RECORDS OF BORROWING LIBRARY BORROWERS.] That portion of The following data maintained by a library which links are private data on individuals and may not be disclosed for other than library purposes except pursuant to a court order:

(1) data that link a library patron's name with materials requested or borrowed by the patron or which links that link a patron's name with a specific subject about which the patron has requested information or materials is classified as private, under section 13.02, subdivision 12, and shall not be disclosed except pursuant to a valid court order; or

(2) data in applications for borrower cards, other than the name of the borrower.

Sec. 2. Minnesota Statutes 1990, section 134.34, subdivision 1, is amended to read:

Subdivision 1. [LOCAL SUPPORT LEVELS.] A regional library basic system support grant shall be made to any regional public library system where there are at least three participating counties and where each participating city and county, except in the first year of participation as provided in section 134.33, is providing for public library service support the lesser of (a) an amount equivalent to 0.33 percent of the adjusted gross tax capacity of the taxable property of that city or county, as determined by the commissioner of revenue for the second year preceding that calendar year in 1990 and an amount equivalent to .41 .82 percent of the adjusted net tax capacity of the taxable property of that city or county, as determined by the commissioner of revenue for the second year preceding that calendar year in 1991 and later years or (b) a per capita amount calculated under the provisions of this subdivision. The per capita amount is established for calendar year 1990 1993 as \$3.62 \$7.62. In succeeding calendar years, the per capita amount shall be increased by a percentage equal to one-half of the percentage by which the total state adjusted net tax capacity of property as determined by the commissioner of revenue for the second year preceding that calendar year increases over that total adjusted net tax capacity for the third year preceding that calendar year. The minimum level of support shall be certified annually to the participating cities and counties by the department of education. A city which is a part of a regional public library system shall not be required to provide this level of support if the property of that city is already taxable by the county for the support of that regional public library system. In no event shall the department of education require any city or county to provide a higher level of support than the level of support specified in this section in order for a system to qualify for a regional library basic system support grant. This section shall not be construed to prohibit a city or county from providing a higher level of support for public libraries than the level of support specified in this section.

Sec. 3. Minnesota Statutes 1990, section 134.34, is amended by adding a subdivision to read:

Subd. 4a. [SUPPORT GRANTS.] In state fiscal years 1993, 1994, and 1995, a regional library basic system support grant also may be made to a regional public library system for a participating city or county which meets the requirements under paragraph (a) or (b).

(a) The city or county decreases the dollar amount provided by it for operating purposes of public library service if the amount provided by the city or county is not less than the amount provided by the city or county for such purposes in the second preceding year.

(b)(1) The city or county provided for operating purposes of public library services an amount exceeding 125 percent of the state average percentage of the adjusted net tax capacity or 125 percent of the state average local support per capita; and

(2) the local government aid distribution for the current calendar year under chapter 477A has been reduced below the originally certified amount for payment in the preceding calendar year, if the dollar amount of the reduction from the previous calendar year in support for operating purposes of public library services is not greater than the dollar amount by which support for operating purposes of public library service would be decreased if the reduction in support were in direct proportion to the local government aid reduction as a percentage of the previous calendar year's revenue base as defined in section 477A.011, subdivision 27. Determination of a grant under paragraph (b) shall be based on the most recent calendar year for which data are available.

The city or county shall file a report with the department of education indicating the dollar amount and percentage of reduction in public library operating funds.

Sec. 4. [REPEALER.]

Minnesota Statutes 1990, section 134.34, subdivision 2, is repealed.

Sec. 5. [EFFECTIVE DATE.]

Section 2 is effective January 1, 1993.

Section 3 is effective the day following final enactment.

Section 4 is effective January 1, 1993.

ARTICLE 11
STATE AGENCIES

Section 1. Minnesota Statutes 1991 Supplement, section 120.17, subdivision 7a, is amended to read:

Subd. 7a. [ATTENDANCE AT SCHOOL FOR THE HANDICAPPED.] Responsibility for special instruction and services for a visually disabled or hearing impaired child attending the Minnesota state academy for the deaf or the Minnesota state academy for the blind shall be determined in the following manner:

(a) The legal residence of the child shall be the school district in which the child's parent or guardian resides.

(b) When it is determined pursuant to section 128A.05, subdivision 1 or 2, that the child is entitled to attend either school, the state board shall provide the appropriate educational program for the child. The state board shall make a tuition charge to the child's district of residence for the cost of providing the program. The amount of tuition charged shall not exceed the basic revenue of the district for that child, for the amount of time the child is in the program. For purposes of this subdivision, "basic revenue" has the meaning given it in section 124A.22, subdivision 2. The district of the child's residence shall pay the tuition and may claim general education aid for the child. The district of the child's residence shall not receive aid pursuant to section 124.32, subdivision 5, for tuition paid pursuant to this subdivision. Tuition received by the state board, except for tuition received under clause (c), shall be deposited in the state treasury as provided in clause (g).

(c) In addition to the tuition charge allowed in clause (b), the academies may charge the child's district of residence for the academy's unreimbursed cost of providing an instructional aide assigned to that child, if that aide is required by the child's individual education plan. Tuition received under this clause must be used by the academies to provide the required service.

(d) When it is determined that the child can benefit from public school enrollment but that the child should also remain in attendance at the applicable school, the school district where the institution is located shall provide an appropriate educational program for the child and shall make a tuition charge to the state board for the actual cost of providing the program, less any amount of aid received pursuant to section 124.32. The state board shall pay the tuition and other program costs including the unreimbursed transportation costs. Aids for handicapped children shall be paid to the district providing the special instruction and services. Special transportation shall be provided by the district providing the educational

program and the state shall reimburse such district within the limits provided by law.

(e) Notwithstanding the provisions of clauses (b) and (d), the state board may agree to make a tuition charge for less than the amount specified in clause (b) for pupils attending the applicable school who are residents of the district where the institution is located and who do not board at the institution, if that district agrees to make a tuition charge to the state board for less than the amount specified in clause (d) for providing appropriate educational programs to pupils attending the applicable school.

(f) Notwithstanding the provisions of clauses (b) and (d), the state board may agree to supply staff from the Minnesota state academy for the deaf and the Minnesota state academy for the blind to participate in the programs provided by the district where the institutions are located when the programs are provided to students in attendance at the state schools.

(g) On May 1 of each year, the state board shall count the actual number of Minnesota resident kindergarten and elementary students and the actual number of Minnesota resident secondary students enrolled and receiving education services at the Minnesota state academy for the deaf and the Minnesota state academy for the blind. The state board shall deposit in the state treasury an amount equal to all tuition received less:

(1) the total number of students on May 1 less 175, times the ratio of the number of kindergarten and elementary students to the total number of students on May 1, times the general education formula allowance; plus

(2) the total number of students on May 1 less 175, times the ratio of the number of secondary students on May 1 to the total number of students on May 1, times 1.3, times the general education formula allowance.

(h) The sum provided by the calculation in clause (g), subclauses (1) and (2), must be deposited in the state treasury and credited to the general operation account of the academy for the deaf and the academy for the blind.

(i) There is annually appropriated to the department of education for the Faribault academies the tuition amounts received and credited to the general operation account of the academies under this section. A balance in an appropriation under this paragraph does not cancel but is available in successive fiscal years.

Sec. 2. Minnesota Statutes 1990, section 124C.07, is amended to read:

124C.07 [COMPREHENSIVE ARTS PLANNING PROGRAM.]

The department of education shall prescribe the form and manner of application by one or more school districts to be designated as a site to participate in the comprehensive arts planning program. Up to 30 sites may be selected. The department of education shall designate sites in consultation with the Minnesota alliance for arts in education, the Minnesota center for arts education, and the Minnesota state arts board.

Sec. 3. Minnesota Statutes 1990, section 124C.08, subdivision 2, is amended to read:

Subd. 2. [CRITERIA.] The department of education, in consultation with the ~~Minnesota alliance for arts in education~~ comprehensive arts planning program state steering committee, shall establish criteria for site selection. Criteria shall include at least the following:

(1) a willingness by the district or group of districts to designate a program chair for comprehensive arts planning with sufficient authority to implement the program;

(2) a willingness by the district or group of districts to create a committee comprised of school district and community people whose function is to promote comprehensive arts education in the district;

(3) commitment on the part of committee members to participate in training offered by the department of education;

(4) a commitment of the committee to conduct a needs assessment of arts education;

(5) commitment by the committee to evaluating its involvement in the program;

(6) a willingness by the district to adopt a long-range plan for arts education in the district;

(7) no previous involvement of the district in the comprehensive arts planning program, unless that district has joined a new group of districts; and

(8) location of the district or group of districts to assure representation of urban, suburban, and rural districts and distribution of sites throughout the state.

Sec. 4. Minnesota Statutes 1990, section 124C.09, is amended to read:

124C.09 [DEPARTMENT RESPONSIBILITY.]

The department of education, in cooperation with the Minnesota alliance for arts in education ~~and, the Minnesota state arts board, and the Minnesota center for arts education~~ shall provide materials, training, and assistance to the arts education committees in the school districts. The department may contract with the Minnesota alliance for arts in education for its involvement in providing services, including staff assistance, to the program.

Sec. 5. Minnesota Statutes 1990, section 128A.09, is amended by adding a subdivision to read:

Subd. 1a. [CONTRACTS; FEES; APPROPRIATION.] The state board may enter into agreements for the academies to provide respite care and supplemental educational instruction and services including assessments and counseling. The agreements may be made with public or private agencies or institutions, school districts, education cooperative service units, or counties. The board may authorize the academies to provide conferences, seminars, nondistrict and district requested technical assistance, and production of instructionally-related materials.

Sec. 6. Minnesota Statutes 1990, section 128A.09, subdivision 2, is amended to read:

Subd. 2. [FEES; APPROPRIATION.] Income from fees for conferences, seminars, nondistrict technical assistance, and production of instructionally-related materials received under section 5 must be deposited in the state treasury and credited to a revolving fund of the academies. Money in the revolving fund for fees from conferences, seminars, nondistrict technical assistance, and production of instructionally-related materials and other services is annually appropriated to the academies to defray expenses of the conferences, seminars, technical assistance, and production of materials those services. Payment from the revolving fund for conferences and other fees may be made only according to vouchers authorized by the administrator of the academies.

Sec. 7. Laws 1991, chapter 265, article 7, section 41, subdivision 4, is amended to read:

Subd. 4. [OUTCOME-BASED EDUCATION PROGRAM CONTRACTS.] For entering into contracts for outcome-based education programs according to section 37:

\$675,000 1992

\$675,000 1993

\$55,000 each year is for evaluation and administration of the program.

A balance in the first year does not cancel but is available in the second year.

Sec. 8. Laws 1991, chapter 265, article 11, section 23, subdivision 1, is amended to read:

Subdivision 1. [DEPARTMENT OF EDUCATION.] (a) The sums indicated in this section are appropriated from the general fund, unless otherwise indicated, to the department of education for the fiscal years designated.

(b) The amounts that may be spent for each program are specified in the following subdivisions.

(c) The approved complement is:

	1992	1993	
General Fund	258.5	258.5	<u>214.5</u>
Federal	135.6	135.6	<u>137.7</u>
Other	28.9	28.9	<u>25.3</u>
Total	423.0	423.0	<u>377.5</u>

(d) The commissioner of education, with the approval of the commissioner of finance, may transfer unencumbered balances among the programs during the biennium. Transfers must be reported immediately to the education finance division of the education committee of the house of representatives and the education funding division of the education committee of the senate. During the biennium, the commissioner may transfer money among the various objects of expenditure categories and activities within each program, unless restricted by executive order.

(e) The commissioner of education may transfer complement among funds if necessary and must provide a listing of the transfers to the commissioner of finance at the end of each fiscal year. Material changes must be approved by the commissioner of finance and reported to the house education finance division and the senate education funding division.

(f) The expenditures of federal grants and aids as shown in the biennial budget document are approved and shall be spent as indicated.

(g) The commissioner shall continue to enforce Minnesota Statutes, section 126.21, and other civil rights laws as they apply to programs supervised by the commissioner. This function must not be

performed by the same person who, with funding under a federal grant, is providing technical assistance to school districts in implementing nondiscrimination laws.

(h) It is the policy of the legislature to maximize the delivery of educational services to students. If a reduction in the number of employees of the department of education is necessary, the commissioner must make the reduction to personnel based on the following:

(1) Compute a ratio for each category of management, supervisory, line, and support personnel equal to:

(i) the salaries paid to personnel in each category, for the fiscal year ending June 30, 1991, divided by

(ii) the total salaries paid to employees in the department for the fiscal year ending June 30, 1991.

(2) Reduce the personnel budget in each category of personnel by an amount equal to the total budget reduction determined by the department for personnel reduction, times the ratio computed in clause (1).

(3) The total budget reduction is the difference between the general fund appropriation for the department and the amount recommended by the governor.

Sec. 9. [LAND TRANSFER.]

Subdivision 1. [PERMITTED.] (a) Notwithstanding Minnesota Statutes, chapters 94 and 103F or any other law to the contrary, the state of Minnesota may convey the land described in paragraph (b) to independent school district No. 656, Faribault.

(b) The land which may be conveyed under paragraph (a) is legally described in general as follows:

All that part of the Southeast Quarter of the Southwest Quarter (SE 1/4 of SW 1/4) and all that part of the Southwest Quarter of the Southeast Quarter (SW 1/4 of SE 1/4), all in Section 29, Township 110 North, Range 20 West, in the City of Faribault, Rice County, Minnesota, owned by the state of Minnesota or any department or division thereof.
or

All that part of the Northwest Quarter of the Southwest Quarter (NW 1/4 of SW 1/4) of Section 28, and of the Northeast Quarter of the Southeast Quarter (NE 1/4 of SE 1/4) of Section 29, all in Township 110 North, Range 20 West, Rice County,

Minnesota, owned by the State of Minnesota or any department or division thereof.

(c) A more precise legal description in substantial conformance with the description in paragraph (b) must be provided by the grantee in the instruments of conveyance. Both the precise legal descriptions and the instruments of conveyance must be approved as to form by the attorney general.

Subd. 2. [CONSIDERATION.] The consideration for the conveyance permitted by subdivision 1 is the amount at which the parcel or parcels are appraised by a qualified state appraiser who is appointed by agreement of the parties.

Subd. 3. [APPROPRIATION.] The proceeds of the sale are appropriated to the department of education for the use of the state academies for whose account the sale is made and may be used for capital improvements at the academies.

Subd. 4. [PURPOSE.] The land permitted to be conveyed under subdivision 1 is to be used as part of a site for an elementary school.

Sec. 10. [APPROPRIATIONS REDUCTION.]

The general fund appropriations in Laws 1991, chapter 265, are reduced for the fiscal years indicated for the programs shown by the following amounts:

	<u>1992</u>	<u>1993</u>
<u>Transportation Aid</u>	<u>(\$1,468,200)</u>	<u>(259,100)</u>
<u>Summer Special Education Aid</u>	<u>(23,100)</u>	
<u>Individualized Learning and Development Aid</u>	<u>(401,200)</u>	<u>(70,800)</u>
<u>Assurance of Mastery</u>	<u>(11,300)</u>	<u>(2,000)</u>
<u>Special Programs Equalization Aid</u>		<u>(1,000,000)</u>
<u>Adult Basic Education Aid</u>		<u>(200,000)</u>
<u>Capital Expenditure Facilities Aid</u>		<u>(940,800)</u>
<u>Capital Expenditure Equipment Aid</u>		<u>(955,100)</u>
<u>Health and Safety Aid</u>	<u>(1,147,500)</u>	<u>(202,500)</u>
<u>Secondary Vocational Cooperative Aid</u>	<u>(5,700)</u>	<u>(1,000)</u>
<u>Educational Cooperative Service Units</u>		<u>(15,000)</u>
<u>Management Information Centers</u>		<u>(136,000)</u>
<u>Nonpublic Pupil Aid</u>	<u>(146,500)</u>	<u>(25,800)</u>
<u>Teacher Mentorship</u>		<u>(10,000)</u>
<u>Educational Effectiveness</u>		<u>(30,000)</u>
<u>State PER Assistance</u>		<u>(24,000)</u>
<u>Department of Education</u>		<u>(140,000)</u>

The commissioner of education may allocate the reduction in the

department among the department's programs. The reduction may not be made from the Faribault academies.

Sec. 11. [REPEALER.]

Minnesota Statutes 1990, sections 121.25; 121.26; 121.27; 121.28; 128A.022, subdivisions 5 and 7; and 128A.024, subdivision 1, are repealed.

Sec. 12. [EFFECTIVE DATE.]

Sections 1, 7, 9, and 10 are effective the day following final enactment.

ARTICLE 12

NONCONTROVERSIAL AND TECHNICAL CHANGES

Section 1. Minnesota Statutes 1991 Supplement, section 120.064, subdivision 4, is amended to read:

Subd. 4. [FORMATION OF SCHOOL.] (a) A sponsor may authorize one or more licensed teachers under ~~section 215.182~~ section 125.05, subdivision ~~2~~ 1, to form and operate an outcome-based school subject to approval by the state board of education. The teachers shall organize and operate a school as a cooperative under chapter 308A or nonprofit corporation under chapter 317A.

(b) Before a teacher may begin to form and operate a school, the sponsor must file an affidavit with the state board of education stating its intent to authorize an outcome-based school. The affidavit must state the terms and conditions under which the sponsor would authorize an outcome-based school. The state board must approve or disapprove the sponsor's proposed authorization within 30 days of receipt of the affidavit. Failure to obtain state board approval precludes a sponsor from authorizing the outcome-based school that was the subject of the affidavit.

(c) The teachers authorized to organize and operate a school shall hold an election for members of the school's board of directors. All staff members employed at the school and all parents of children enrolled in the school may participate in the election. Licensed teachers employed at the school must be a majority of the members of the board of directors.

(d) The sponsor's authorization for an outcome-based school shall be in the form of a written contract signed by the sponsor and the board of directors of the outcome-based school.

Sec. 2. Minnesota Statutes 1990, section 122.23, subdivision 12, is amended to read:

Subd. 12. The school board shall determine the date of the election, the number of boundaries of voting precincts, and the location of the polling places where voting shall be conducted, and the hours the polls will be open. The school board shall also provide official ballots which shall be used exclusively and shall be in the following form:

For consolidation

Against consolidation

The school board shall appoint ~~three~~ election judges for each polling place who shall act as clerks of election. ~~The school board may pay these election judges not to exceed \$1 per hour.~~ The ballots and results shall be certified to the school board who shall canvass and tabulate the total vote cast for and against the proposal.

Sec. 3. Minnesota Statutes 1990, section 122.23, subdivision 13a, is amended to read:

Subd. 13a. [CONSOLIDATION IN AN EVEN-NUMBERED YEAR.] Notwithstanding subdivision 13, school districts may consolidate during effective July 1 of an even-numbered year if the school board and the exclusive bargaining representative of the teachers in each affected district agree to the effective date of the consolidation. The agreement must be in writing and submitted to the commissioner of education.

Sec. 4. Minnesota Statutes 1990, section 122.23, subdivision 16, is amended to read:

Subd. 16. As of the effective date of the consolidation, the bonded debt of all component districts shall be paid according to the plan for consolidation proposed in the approved plat, pursuant to the provisions of subdivision 16a or 16b, as applicable and according to this subdivision.

(a) If the plan for consolidation so provides, the bonded debt of all component districts shall be paid according to levies previously made for that debt under chapter 475. In this case, the obligation of the taxable property in the component districts with reference to the payment of such bonded debt is not affected by the consolidation.

(b) If the plan for consolidation makes no provision for the disposition of bonded debt, all the taxable property in the newly created district is taxable for the payment of any bonded debt incurred by any component district in the proportion which the net

tax capacity of that part of a preexisting district which is included in the newly created district bears to the net tax capacity of the entire preexisting district as of the time of the consolidation.

(c) If the plan for consolidation so provides, all the taxable property in the newly created district will be taxable for a portion of the bonded debt incurred by any component district prior to the consolidation.

Apportionment required under paragraphs (b) and (c) shall be made by the county auditor and shall be incorporated as an annex to the order of the commissioner dividing the assets and liabilities of the component parts. This subdivision shall not relieve any property from any tax liability for payment of any bonded obligation but taxable property in the newly created district becomes primarily liable for the payment of bonded debts to the extent of the proportion stated.

Sec. 5. Minnesota Statutes 1990, section 122.247, subdivision 1, is amended to read:

Subdivision 1. [REFERENDUM LEVIES REVENUES.] The referendum ~~levy~~ revenue authorization of the combined district shall be one of the methods set forth in section 122.531, subdivision 2a, 2b, or 2c, and must be consistent with the plan adopted according to section 122.242, and any subsequent modifications.

Sec. 6. Minnesota Statutes 1990, section 122.531, subdivision 1a, is amended to read:

Subd. 1a. [INVOLUNTARY DISSOLUTION REFERENDUM LEVIES REVENUE.] As of the effective date of the involuntary dissolution of a district and its attachment to one or more existing districts pursuant to sections 122.32, or 122.41 to 122.52, the authorization for any referendum ~~levy~~ revenue previously approved by the voters of the dissolved district in that district pursuant to section 124A.03, subdivision 2, or its predecessor or successor provision, is canceled. The authorization for any referendum ~~levy~~ revenue previously approved by the voters of a district to which all or part of the dissolved district is attached shall not be affected by the attachment and shall apply to the entire area of the district as enlarged by the attachment.

Sec. 7. Minnesota Statutes 1990, section 122.531, subdivision 2c, is amended to read:

Subd. 2c. If the plan for consolidation provides for discontinuance of referendum ~~levies~~ revenue previously approved by voters of the component districts pursuant to section 124A.03, subdivision 2, or its predecessor provision, the newly created district shall not ~~make~~

receive a referendum levy revenue unless the voters of the newly created district authorize a referendum levy revenue pursuant to section 124A.03, subdivision 2.

Sec. 8. Minnesota Statutes 1990, section 123.35, is amended by adding a subdivision to read:

Subd. 19a. [LIMITATION ON PARTICIPATION AND FINANCIAL SUPPORT.] (a) No school district shall be required by any type of formal or informal agreement, including a joint powers agreement, or otherwise to participate in or provide financial support for the purposes of the agreement for a time period in excess of one fiscal year. Any agreement, part of an agreement, or other type of requirement to the contrary is void.

(b) This subdivision shall not affect the continued liability of a school district for its share of bonded indebtedness or other debt incurred as a result of any agreement before July 1, 1993. The school district is liable only until the obligation or debt is discharged and only according to the payment schedule in effect on July 1, 1993, except that the payment schedule may be altered for the purpose of restructuring debt or refunding bonds outstanding on July 1, 1993, if the annual payments of the school district are not increased and if the total obligation of the school district for its share of outstanding bonds or other debt is not increased.

(c) To cease participating in or providing financial support for any of the services or activities relating to the agreement or to terminate participation in the agreement, the school board shall adopt a resolution and notify other parties to the agreement of its decision on or before February 1 of any year. The cessation or withdrawal shall be effective June 30 of the same year or, at the option of the school board, June 30 of the following fiscal year.

(d) Before issuing bonds or incurring other debt, the governing body responsible for implementing the agreement shall adopt a resolution proposing to issue bonds or incur other debt and the proposed financial effect of the bonds or other debt upon each participating district. The resolution shall be adopted within a time sufficient to allow the school board to adopt a resolution within the time permitted by this paragraph and to comply with the statutory deadlines set forth in sections 122.895, 125.12, and 125.17. The governing body responsible for implementing the agreement shall notify each participating school board of the contents of the resolution. Within 120 days of receiving the resolution of the governing body, the school board of the participating district shall adopt a resolution stating:

(1) its concurrence with issuing bonds or incurring other debt;

(2) its intention to cease participating in or providing financial

support for the service or activity related to the bonds or other debt; or

(3) its intention to terminate participation in the agreement.

A school board adopting a resolution according to clause (1) is liable for its share of bonded indebtedness or other debt as proposed by the governing body implementing the agreement. A school board adopting a resolution according to clause (2) is not liable for the bonded indebtedness or other debt, as proposed by the governing body, related to the services or activities in which the district ceases participating or providing financial support. A school board adopting a resolution according to clause (3) is not liable for the bonded indebtedness or other debt proposed by the governing body implementing the agreement.

(e) After July 1, 1993, a district is liable according to paragraph (d) for its share of bonded indebtedness or other debt incurred by the governing body implementing the agreement to the extent that the bonds or other debt are directly related to the services or activities in which the district participates or for which the district provides financial support. The district has continued liability only until the obligation or debt is discharged and only according to the payment schedule in effect at the time the governing body implementing the agreement provides notice to the school board, except that the payment schedule may be altered for the purpose of refunding the outstanding bonds or restructuring other debt if the annual payments of the district are not increased and if the total obligation of the district for the outstanding bonds or other debt is not increased.

Sec. 9. Minnesota Statutes 1991 Supplement, section 124.155, subdivision 2, is amended to read:

Subd. 2. [ADJUSTMENT TO AIDS.] (a) The amount specified in subdivision 1 shall be used to adjust the following state aids and credits in the order listed:

(a) (1) general education aid authorized in sections 124A.23 and 124B.20;

(b) (2) secondary vocational aid authorized in section 124.573;

(c) (3) special education aid authorized in section 124.32;

(d) (4) secondary vocational aid for handicapped children authorized in section 124.574;

(e) (5) aid for pupils of limited English proficiency authorized in section 124.273;

- ~~(f)~~ (6) transportation aid authorized in section 124.225;
- ~~(g)~~ (7) community education programs aid authorized in section 124.2713;
- ~~(h)~~ (8) adult education aid authorized in section 124.26;
- ~~(i)~~ (9) early childhood family education aid authorized in section 124.2711;
- ~~(j)~~ (10) capital expenditure aid authorized in sections 124.243, 124.244, and 124.83;
- ~~(k)~~ (11) education district aid according to section 124.2721;
- ~~(l)~~ (12) secondary vocational cooperative aid according to section 124.575;
- ~~(m)~~ (13) assurance of mastery aid according to section 124.311;
- ~~(n)~~ (14) individual learning and development aid according to section 124.331;
- ~~(o)~~ (15) homestead credit under section 273.13 for taxes payable in 1989 and additional homestead and agricultural credit guarantee under section 273.1398, subdivision 5, for taxes payable in 1990 and thereafter;
- ~~(p)~~ (16) agricultural credit under section 273.132 for taxes payable in 1989 and additional homestead and agricultural credit guarantee under section 273.1398, subdivision 5, for taxes payable in 1990 and thereafter;
- ~~(q)~~ (17) homestead and agricultural credit aid and disparity reduction aid authorized in section 273.1398, subdivision 2; ~~and~~
- ~~(r)~~ (18) attached machinery aid authorized in section 273.138, subdivision 3; ~~and~~
- (19) alternative delivery aid authorized in section 124.322.
- (b) The commissioner of education shall schedule the timing of the adjustments to state aids and credits specified in subdivision 1, as close to the end of the fiscal year as possible.

Sec. 10. Minnesota Statutes 1991 Supplement, section 124.19, subdivision 1, is amended to read:

Subdivision 1. [INSTRUCTIONAL TIME.] Every district shall maintain school in session or provide instruction in other districts for at least 170 days through the 1994-1995 school year and the number of days required in section 120.101, subdivision 1b 5b thereafter, not including summer school, or the equivalent in a district operating a flexible school year program. A district that holds school for the required minimum number of days and is otherwise qualified is entitled to state aid as provided by law. If school is not held for the required minimum number of days, state aid shall be reduced by the ratio that the difference between the required number of days and the number of days school is held bears to the required number of days, multiplied by 60 percent of the basic revenue, as defined in section 124A.22, subdivision 2, of the district for that year. However, districts maintaining school for fewer than the required minimum number of days do not lose state aid (1) if the circumstances causing loss of school days below the required minimum number of days are beyond the control of the board, (2) if proper evidence is submitted, and (3) if a good faith attempt made to make up time lost due to these circumstances. The loss of school days resulting from a lawful employee strike shall not be considered a circumstance beyond the control of the board. Days devoted to meetings authorized or called by the commissioner may not be included as part of the required minimum number of days of school. For grades 1 to 12, days devoted to parent-teacher conferences, teachers' workshops, or other staff development opportunities as part of the required minimum number of days must not exceed five days through the 1994-1995 school year and for subsequent school years the difference between the number of days required in subdivision 1b and the number of instructional days required in subdivision 1b 5b. For kindergarten, days devoted to parent-teacher conferences, teachers' workshops, or other staff development opportunities as part of the required minimum number of days must not exceed twice the number of days for grades 1 to 12.

Sec. 11. Minnesota Statutes 1991 Supplement, section 124.214, subdivision 2, is amended to read:

Subd. 2. [ABATEMENTS.] Whenever by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the net tax capacity of any school district for any taxable year is changed after the taxes for that year have been spread by the county auditor and the local tax rate as determined by the county auditor based upon the original net tax capacity is applied upon the changed net tax capacities, the county auditor shall, prior to February 1 of each year, certify to the commissioner of education the amount of any resulting net revenue loss that accrued to the school district during the preceding year. Each year, the commissioner shall pay an abatement adjustment to the district in an amount calculated according to the provisions of this subdivision. This amount shall be deducted from the amount of the levy authorized by section 275.48. The amount of the abatement adjustment shall be the product of:

(1) the net revenue loss as certified by the county auditor, times

(2) the ratio of:

(a) the sum of the amounts of the district's certified levy in the preceding year according to the following:

(i) section 124A.23 if the district receives general education aid according to that section, or section 124B.20, if the education district of which the district is a member receives general education aid according to that section;

(ii) section 275.125, subdivisions 5 and 5c, if the district receives transportation aid according to section 124.225;

(iii) section 124.243, if the district receives capital expenditure facilities aid according to that section;

(iv) section 124.244, if the district receives capital expenditure equipment aid according to that section;

(v) section 124.83, if the district receives health and safety aid according to that section;

(vi) sections 124.2713, 124.2714, and 124.2715, if the district receives aid for community education programs according to any of those sections; ~~and~~

(vii) section 275.125, subdivision 8b, if the district receives early childhood family education aid according to section 124.2711;

(viii) section 124.321, subdivision 3, if the district receives special education levy equalization aid according to that section;

(ix) section 124A.03, subdivision 1g, if the district receives referendum equalization aid according to that section; and

(x) section 124A.22, subdivision 4a, if the district receives training and experience aid according to that section;

(b) to the total amount of the district's certified levy in the preceding October, plus or minus auditor's adjustments.

Sec. 12. Minnesota Statutes 1991 Supplement, section 124.214, subdivision 3, is amended to read:

Subd. 3. [EXCESS TAX INCREMENT.] If a return of excess tax increment is made to a school district pursuant to section 469.176, subdivision 2, or upon decertification of a tax increment district, the

school district's aid and levy limitations must be adjusted for the fiscal year in which the excess tax increment is paid under the provisions of this subdivision.

(a) An amount must be subtracted from the school district's aid for the current fiscal year equal to the product of:

(1) the amount of the payment of excess tax increment to the school district, times

(2) the ratio of:

(A) the sum of the amounts of the school district's certified levy for the fiscal year in which the excess tax increment is paid according to the following:

(i) section 124A.23, if the district receives general education aid according to that section, or section 124B.20, if the education district of which the district is a member receives general education aid according to that section;

(ii) section 275.125, subdivisions 5 and 5c, if the school district receives transportation aid according to section 124.225;

(iii) section 124.243, if the district receives capital expenditure facilities aid according to that section;

(iv) section 124.244, if the district receives capital expenditure equipment aid according to that section;

(v) section 124.83, if the district receives health and safety aid according to that section;

(vi) sections 124.2713, 124.2714, and 124.2715, if the district receives aid for community education programs according to any of those sections; ~~and~~

(vii) section 275.125, subdivision 8b, if the district receives early childhood family education aid according to section 124.2711;

(viii) section 124.321, subdivision 3, if the district receives special education levy equalization aid according to that section;

(ix) section 124A.03, subdivision 1g, if the district receives referendum equalization aid according to that section; and

(x) section 124A.22, subdivision 4a, if the district receives training and experience aid according to that section;

(B) to the total amount of the school district's certified levy for the fiscal year, plus or minus auditor's adjustments.

(b) An amount must be subtracted from the school district's levy limitation for the next levy certified equal to the difference between:

- (1) the amount of the distribution of excess increment, and
- (2) the amount subtracted from aid pursuant to clause (a).

If the aid and levy reductions required by this subdivision cannot be made to the aid for the fiscal year specified or to the levy specified, the reductions must be made from aid for subsequent fiscal years, and from subsequent levies. The school district shall use the payment of excess tax increment to replace the aid and levy revenue reduced under this subdivision.

This subdivision applies only to the total amount of excess increments received by a school district for a calendar year that exceeds \$25,000.

Sec. 13. Minnesota Statutes 1990, section 124A.22, is amended by adding a subdivision to read:

Subd. 8a. [SUPPLEMENTAL LEVY.] To obtain supplemental revenue, a district may levy an amount not more than the product of its supplemental revenue for the school year times the lesser of one or the ratio of its general education levy to its general education revenue, excluding training and experience revenue and supplemental revenue, for the same year.

Sec. 14. Minnesota Statutes 1990, section 124A.22, is amended by adding a subdivision to read:

Subd. 8b. [SUPPLEMENTAL AID.] A district's supplemental aid equals its supplemental revenue minus its supplemental levy times the ratio of the actual amount levied to the permitted levy.

Sec. 15. Minnesota Statutes 1990, section 124A.23, subdivision 3, is amended to read:

Subd. 3. [GENERAL EDUCATION LEVY; DISTRICTS OFF THE FORMULA.] If the amount of the general education levy for a district exceeds the district's general education revenue, excluding training and experience revenue and supplemental revenue, the amount of the general education levy shall be limited to the following:

- (1) the district's general education revenue, excluding training and experience revenue and supplemental revenue; plus

(2) the amount of the aid reduction for the same school year according to section 124A.24; minus

(3) payments made for the same school year according to section 124A.035, subdivision 4.

For purposes of statutory cross-reference, a levy made according to this subdivision shall be construed to be the levy made according to subdivision 2.

Sec. 16. Minnesota Statutes 1991 Supplement, section 124A.23, subdivision 4, is amended to read:

Subd. 4. [GENERAL EDUCATION AID.] A district's general education aid is the sum of the following amounts:

(1) the product of (i) the difference between the general education revenue, excluding training and experience revenue and supplemental revenue, and the general education levy, times (ii) the ratio of the actual amount levied to the permitted levy;

(2) ~~the product of (i) the difference between the supplemental revenue and the supplemental levy, times (ii) the ratio of the actual amount levied to the permitted levy~~ training and experience aid according to section 124A.22, subdivision 4b;

(3) supplemental aid according to section 11;

(4) shared time aid according to section 124A.02, subdivision 21;
and

(4) (5) referendum aid according to section 124A.03.

Sec. 17. Minnesota Statutes 1991 Supplement, section 124A.24, is amended to read:

124A.24 [GENERAL EDUCATION LEVY EQUITY.]

If a district's general education levy is determined according to section 124A.23, subdivision 3, an amount must be deducted from state aid authorized in this chapter and chapters 124 and 124B, receivable for the same school year, and from other state payments receivable for the same school year authorized in chapter 273. The aid in section 124.646 must not be reduced.

The amount of the deduction equals the difference between:

(1) the general education tax rate, according to section 124A.23, times the district's adjusted net tax capacity used to determine the general education aid for the same school year; and

(2) the district's general education revenue, excluding training and experience revenue and supplemental revenue, for the same school year, according to section 124A.22.

However, for fiscal year 1992, the amount of the deduction shall be four-sixths of the difference between clauses (1) and (2); and for fiscal year 1993, the amount of the deduction shall be five-sixths of the difference between clauses (1) and (2).

Sec. 18. Minnesota Statutes 1990, section 124A.26, subdivision 2, is amended to read:

Subd. 2. [LEVY REDUCTION.] If a district's general education revenue is reduced, the general education levy shall be reduced by the following amount:

(1) the reduction specified in subdivision 1, times

(2) the lesser of one or the ratio of the district's general education levy to its general education revenue, excluding training and experience revenue and supplemental revenue.

Sec. 19. Minnesota Statutes 1990, section 125.18, subdivision 1, is amended to read:

Subdivision 1. A teacher who holds a license ~~from the department,~~ according to chapter 125 or 136C, and a contract for employment ~~in by a public school district or other organization providing public education~~ may be granted a sabbatical leave by the board employing ~~such person~~ the teacher under rules promulgated by ~~such the~~ board.

Sec. 20. Minnesota Statutes 1990, section 136D.27, subdivision 2, is amended to read:

Subd. 2. [PROHIBITED LEVIES.] Notwithstanding section 136D.24 or any other law to the contrary, the joint school board may not certify, either itself, to any participating district, or to any cooperating school district, any levies for any purpose, except the levies authorized by ~~subdivision 1,~~ sections 124.2727, 124.83, subdivision 4, 127.05, 275.125, subdivisions 8c and 14a, 275.48, and 475.61, and for the joint school board's obligations under section 268.06, subdivision 25, for which a levy is authorized by section 275.125, subdivision 4.

Sec. 21. Minnesota Statutes 1990, section 136D.74, subdivision 2a, is amended to read:

Subd. 2a. [PROHIBITED LEVIES.] Notwithstanding ~~subdivisions 2 and subdivision 4,~~ section 136D.73, subdivision 3, or any other law to the contrary, the intermediate school board may not certify, either

itself, to any participating district, or to any cooperating school district, any levies for any purpose, except the levies authorized by ~~subdivision 1~~, sections 124.2727, 124.83, subdivision 4, 127.05, 275.125, subdivisions 8c and 14a, 275.48, and 475.61, and for the intermediate school board's obligations under section 268.06, subdivision 25, for which a levy is authorized by section 275.125, subdivision 4.

Sec. 22. Minnesota Statutes 1990, section 136D.87, subdivision 2, is amended to read:

Subd. 2. [PROHIBITED LEVIES.] Notwithstanding section 136D.84 or any other law to the contrary, the joint school board may not certify, either itself, to any participating district, or to any cooperating school district, any levies for any purpose, except the levies authorized by ~~subdivision 1~~, sections 124.2727, 124.83, subdivision 4, 127.05, 275.125, subdivisions 8c and 14a, 275.48, and 475.61, and for the joint school board's obligations under section 268.06, subdivision 25, for which a levy is authorized by section 275.125, subdivision 4.

Sec. 23. Minnesota Statutes 1990, section 205A.10, subdivision 2, is amended to read:

Subd. 2. [ELECTION, CONDUCT.] A school district election must be by secret ballot and must be held and the returns made in the manner provided for the state general election, as far as practicable. The vote totals from an absentee ballot board established pursuant to section 203B.13 may be tabulated and reported by the school district as a whole rather than by precinct. For school district elections not held in conjunction with a statewide election, the school board shall appoint election judges as provided in section 204B.21, subdivision 2. The provisions of sections 204B.19, subdivision 5; 204C.15; 204C.19; 206.63; 206.64, subdivision 2; 206.74, subdivision 3; 206.75; and 206.83; and 206.86, subdivision 2, relating to party balance in appointment of judges and to duties to be performed by judges of different major political parties do not apply to school district elections not held in conjunction with a statewide election.

Sec. 24. Minnesota Statutes 1991 Supplement, section 275.065, subdivision 1, is amended to read:

Subdivision 1. [PROPOSED LEVY.] Notwithstanding any law or charter to the contrary, on or before September 1, each taxing authority, other than a school district, shall adopt a proposed budget and each taxing authority shall certify to the county auditor the proposed or, in the case of a town, the final property tax levy for taxes payable in the following year. If the board of estimate and taxation or any similar board that establishes maximum tax levies for taxing jurisdictions within a first class city certifies the maxi-

imum property tax levies for funds under its jurisdiction by charter to the county auditor by September 1, the city shall be deemed to have certified its levies for those taxing jurisdictions. For purposes of this section, "taxing authority" includes all home rule and statutory cities, towns, counties, school districts, and special taxing districts. The commissioner of revenue shall determine what constitutes a special taxing district for purposes of this section. Intermediate school districts that levy a tax under chapter 124 or 136D, joint powers boards established under sections 124.491 to 124.495, and common school districts No. 323, Franconia, and No. 815, Prinsburg, are special taxing districts for purposes of this section.

Sec. 25. Minnesota Statutes 1990, section 275.125, is amended by adding a subdivision to read:

Subd. 23. [LEVY ADJUSTMENT FOR ENACTED CHANGES.] Whenever a change enacted in law changes the levy authority for a school district or an intermediate school district for a fiscal year after the levy for that fiscal year has been certified by the district under section 275.07, the department of education shall adjust the next levy certified by the district by the amount of the change in levy authority for that fiscal year resulting from the change. Notwithstanding section 121.904, the entire amount for fiscal year 1992 and 50 percent for fiscal years thereafter of the levy adjustment must be recognized as revenue in the fiscal year the levy is certified, if sufficient levy resources are available under generally accepted accounting principles in the district fund where the adjustment is to occur. School districts that do not have sufficient levy resources available in the fund where the adjustment is to occur shall recognize in the fiscal year the levy is certified an amount equal to the levy resources available. The remaining adjustment amount shall be recognized as revenue in the fiscal year after the levy is certified.

Sec. 26. Laws 1991, chapter 265, article 7, section 37, subdivision 6, is amended to read:

Subd. 6. [CONTRACT FUNDS.] Any unexpended Contract funds awarded to a school, school district, or group of districts in one fiscal year do not cancel but are available in the next fiscal year shall be used only for outcome-based education purposes and activities specified in the contract. Any of the contract funds unexpended in the first fiscal year shall be available to the award recipient in the second fiscal year for the same purposes and activities.

Sec. 27. Laws 1991, chapter 265, article 9, section 76, is amended to read:

Sec. 76. [EFFECTIVE DATE.]

Section 123.38, subdivision 2b, is effective the day following final

enactment and applies to the 1990-1991 school year and thereafter. Sections 123.33, subdivision 1; and 123.3514, subdivision 4 are effective the day following final enactment and apply to 1991-1992 and later school years.

Sections 122.895; 123.35, subdivision 20; 125.09, subdivision 4; 128C.01, subdivision 5; 214.10, subdivision 9 are effective the day following final enactment. Section 122.41 is effective July 1, 1992. Section 120.062, subdivision 8a, paragraphs (b) and (c), are effective retroactively to December 1, 1990. ~~Sections 123.3514, subdivision 4; and Section 124.17, subdivision 1c are~~ is effective retroactively to July 1, 1990. Section 281.17 is effective for taxes deemed delinquent after December 31, 1991. Sections 125.12, subdivisions 3a and 4a; and 125.17, subdivisions 2a and 3a are effective July 1, 1993. Sections 121.931, subdivisions 6a, 7, and 8; 121.932, subdivisions 2, 3, and 5; 121.933, subdivision 1; 121.934, subdivision 7; 121.935, subdivisions 1, 4, 6, and 8; 121.936, subdivisions 1, 2, and 4; and 121.937, subdivision 1, are effective July 1, 1993.

Under Minnesota Statutes, section 123.34, subdivision 9, a contract executed before July 1, 1991, between a superintendent and a school board that continues in effect beyond June 30, 1991, shall continue until terminated under those terms that were lawful at the time the contract was executed.

Sections 15 to 30 are effective July 1, 1993. Section 74 is effective the day following final enactment.

Sec. 28. [REENACTMENT.]

Minnesota Statutes 1990, section 120.105 repealed by Laws 1991, chapter 265, article 9, section 75 is reenacted and remains in effect without interruption.

Sec. 29. [INSTRUCTION TO REVISOR.]

In addition to the recodification of subdivisions of Minnesota Statutes, section 275.125, required by Laws 1991, chapter 130, section 37, the revisor of statutes, in the 1992 edition of Minnesota Statutes, shall recodify in the education code all subdivisions of Minnesota Statutes, section 275.125, added by any chapter of Laws 1991 or Laws 1992, notwithstanding any law to the contrary.

Sec. 30. [REPEALER.]

(a) Minnesota Statutes 1991 Supplement, section 123.35, subdivision 19, is repealed effective July 1, 1993.

(b) Minnesota Statutes 1991 Supplement, section 124.646, subdivision 2, is repealed effective the day following final enactment.

(c) Minnesota Statutes 1990, section 124A.23, subdivision 2a; and Laws 1991, chapter 265, articles 2, section 18; 3, section 36; 5, section 17; and 6, section 60, are repealed effective July 1, 1992.

Sec. 31. [EFFECTIVE DATE.]

Section 8 is effective July 1, 1993. Section 25 is effective retroactively to May 1, 1991, and applies beginning with adjustments to the 1991 payable 1992 levy for fiscal year 1992.

Delete the title and insert:

“A bill for an act relating to education; providing for general education revenue, transportation, special programs, community services, facilities and equipment, education organization and cooperation, other aids and levies, other education programs, miscellaneous education matters, libraries, state education agencies; imposing a tax; modifying appropriations; appropriating money; amending Minnesota Statutes 1990, sections 120.17, subdivisions 2, 3a, 8a, 16, and by adding a subdivision; 121.148, subdivision 3; 121.16, subdivision 1; 121.935, by adding a subdivision; 122.23, subdivisions 12, 13, 13a, and 16; 122.241, subdivision 3; 122.247, subdivision 1; 122.531, subdivisions 1a, 2, 2a, 2b, 2c, and by adding subdivisions; 122.532, subdivision 2; 123.33, subdivision 7; 123.35, by adding a subdivision; 123.3514, subdivisions 6, as amended, as reenacted, 6b, as amended, as reenacted, and by adding subdivisions; 123.39, subdivision 8d; 123.58, by adding a subdivision; 123.744, as amended, as reenacted; 124.155, subdivision 1; 124.243, subdivisions 2, 6, and by adding a subdivision; 124.244, subdivision 1; 124.2725, subdivisions 13 and 14; 124.331, subdivisions 1 and 3; 124.431, by adding a subdivision; 124.493, subdivision 1; 124.494, subdivisions 2, 4, and 5; 124.85, subdivision 4; 124A.22, subdivision 2a, and by adding subdivisions; 124A.23, subdivision 3; 124A.26, subdivision 2, and by adding a subdivision; 124C.07; 124C.08, subdivision 2; 124C.09; 124C.61; 125.05, subdivisions 1, 7, and by adding subdivisions; 125.12, by adding a subdivision; 125.17, by adding a subdivision; 125.18, subdivision 1; 126.22, by adding a subdivision; 127.46; 128A.09, subdivision 2, and by adding a subdivision; 128C.01, subdivision 4; 128C.02, by adding a subdivision; 134.34, subdivision 1, and by adding a subdivision; 136C.69, subdivision 3; 136D.22, subdivision 1; 136D.27, subdivision 2; 136D.74, subdivision 2a; 136D.75; 136D.82, subdivision 1; 136D.87, subdivision 2; 205A.10, subdivision 2; and 275.125, subdivision 14a, and by adding subdivisions; Minnesota Statutes 1991 Supplement, sections 13.40, subdivision 2; 120.062, subdivision 8a; 120.064, subdivision 4; 120.17, subdivisions 3b, 7a, and 11a; 120.181; 121.585, subdivision 3; 121.904, subdivisions 4a and 4e; 121.912, subdivision 6; 121.932, subdivisions 2 and 5; 121.935, subdivisions 1 and 6; 122.22, subdivision 9; 122.23, subdivision 2; 122.242, subdivision 9; 122.243, subdivision 2; 122.531, subdivision 4a; 123.3514, subdivisions 4 and

11; 123.702, subdivisions 1, 1a, 1b, and 3; 124.155, subdivision 2; 124.19, subdivisions 1 and 7; 124.195, subdivisions 2 and 3a; 124.214, subdivisions 2 and 3; 124.2601, subdivision 6; 124.2605; 124.2615, subdivision 2; 124.2721, subdivision 3b; 124.2727, subdivision 6, and by adding a subdivision; 124.479; 124.493, subdivision 3; 124.646, subdivision 4; 124.84, subdivision 3; 124.95, subdivisions 1, 2, 3, 4, 5, and by adding a subdivision; 124A.03, subdivisions 1c, 2, 2a, and by adding a subdivision; 124A.23, subdivisions 1 and 4; 124A.24; 124A.26, subdivision 1; 124A.29, subdivision 1; 125.185, subdivisions 4 and 4a; 125.62, subdivision 6; 126.23; 126.70; 136D.22, subdivision 3; 136D.71, subdivision 2; 136D.72, subdivision 1; 136D.76, subdivision 2; 136D.82, subdivision 3; 245A.03, subdivision 2; 275.065, subdivisions 1 and 6; 275.125, subdivisions 6j and 11g; 298.28, subdivision 4; 364.09; and 373.42, subdivision 2; Laws 1990, chapter 366, section 1, subdivision 2; Laws 1991, chapter 265, articles 3, section 39, subdivision 16; 4, section 30, subdivision 11; 5, sections 18, 23, and 24, subdivision 4; 6, section 67, subdivision 3; 7, sections 37, subdivision 6, and 41, subdivision 4; 8, sections 14 and 19, subdivision 6; 9, sections 75 and 76; and 11, section 23, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 124; 124A; 126; and 135A; repealing Minnesota Statutes 1990, sections 121.25; 121.26; 121.27; 121.28; 124.274; 124A.02, subdivision 24; 124A.23, subdivisions 2, 2a, and 3; 124A.26, subdivisions 2 and 3; 124A.27; 124A.28; 124A.29, subdivision 2; 125.03, subdivision 5; 126.071, subdivisions 2, 3, and 4; 128A.022, subdivisions 5 and 7; 128A.024, subdivision 1; 134.34, subdivision 2; 136D.74, subdivision 3; and 136D.76, subdivision 3; Minnesota Statutes 1991 Supplement, sections 123.35, subdivision 19; 124.2727, subdivisions 1, 2, 3, 4, and 5; 124.646, subdivision 2; 124A.02, subdivisions 16 and 23; 124A.03, subdivisions 1b, 1c, 1d, 1e, 1f, 1g, 1h, and 1i; 124A.04; 124A.22, subdivisions 2, 3, 4, 4a, 4b, 8, and 9; 124A.23, subdivisions 1, 4, and 5; 124A.24; 124A.26, subdivision 1; 124A.29, subdivision 1; 126.071, subdivision 1; and 136D.90, subdivision 2; Laws 1990, chapters 562, article 12; and 604, article 8, section 12; Laws 1991, chapter 265, articles 2, section 18; 3, section 36; 5, section 17; 6, sections 4, 20, 22 to 26, 28, 30 to 33, 41 to 45, 60, and 64; 7, section 35."

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

House Conferees: KEN NELSON, JERRY J. BAUERLY, BOB McEACHERN, ALICE HAUSMAN AND CHARLIE WEAVER

Senate Conferees: RONALD R. DICKLICH, GREGORY L. DAHL, GARY M. DeCRAMER, SANDRA L. PAPPAS AND GARY W. LAIDIG.

Nelson, K., moved that the report of the Conference Committee on H. F. No. 2121 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2121, A bill for an act relating to education; providing for general education and related revenue, transportation, special programs, other aids, levies, and programs; appropriating money; amending Minnesota Statutes 1990, sections 120.101, subdivision 5; 120.102, subdivision 1; 120.17, subdivisions 3a, 8a, 12, 14, 16, and by adding subdivisions; 121.148, subdivision 3; 121.11, by adding a subdivision; 121.16, subdivision 1; 121.935, by adding subdivisions; 122.22, by adding a subdivision; 122.23, subdivisions 13, 16, and by adding a subdivision; 122.247, subdivision 1; 122.531, subdivisions 1a, 2, 2a, 2b, and 2c; 122.532, subdivision 2; 123.35, by adding a subdivision; 123.3514, subdivisions 6, as amended, as reenacted, 6b, as amended, as reenacted, and by adding a subdivision; 123.39, subdivision 8d; 123.58, by adding a subdivision; 123.744, as amended, as reenacted; 124.243, subdivision 2, and by adding a subdivision; 124.2725, subdivision 13; 124.331, subdivisions 1 and 3; 124.431, by adding a subdivision; 124.493, subdivision 1; 124.494, subdivisions 2, 4, and 5; 124.73, subdivision 1; 124.83, subdivisions 2, 6, and by adding subdivisions; 124.85, subdivision 4; 124A.22, subdivision 2a, and by adding subdivisions; 124A.23, subdivision 3; 124A.26, subdivision 2, and by adding a subdivision; 124C.07; 124C.08, subdivision 2; 124C.09; 124C.61; 125.05, subdivisions 1, 7, and by adding subdivisions; 125.12, by adding a subdivision; 125.17, by adding a subdivision; 126.12, subdivision 2; 126.22, by adding a subdivision; 127.46; 128A.09, subdivision 2, and by adding a subdivision; 128C.01, subdivision 4; 128C.02, by adding a subdivision; 134.34, subdivision 1, and by adding a subdivision; 136C.69, subdivision 3; 136D.75; 182.666, subdivision 6; 275.125, subdivision 10, and by adding subdivisions; Minnesota Statutes 1991 Supplement, sections 120.062, subdivision 8a; 120.064, subdivision 4; 120.17, subdivisions 3b, 7a, and 11a; 120.181; 121.585, subdivision 3; 121.831; 121.904, subdivisions 4a and 4e; 121.912, subdivision 6; 121.932, subdivisions 2 and 5; 121.935, subdivisions 1 and 6; 122.22, subdivision 9; 122.23, subdivision 2; 122.242, subdivision 9; 122.243, subdivision 2; 122.531, subdivision 4a; 123.3514, subdivisions 4 and 11; 123.702, subdivisions 1, 1a, and 1b; 124.155, subdivision 2; 124.19, subdivisions 1, 1b, and 7; 124.195, subdivision 2; 124.214, subdivisions 2 and 3; 124.2601, subdivision 6; 124.2721, subdivision 3b; 124.2727, subdivision 6, and by adding subdivisions; 124.479; 124.493, subdivision 3; 124.646, subdivision 4; 124.83, subdivision 1; 124.95, subdivisions 1, 2, 3, 4, 5, and by adding a subdivision; 124A.03, subdivisions 1c, 2, 2a, and by adding a subdivision; 124A.23, subdivisions 1 and 4; 124A.24; 124A.26, subdivision 1; 124A.29, subdivision 1; 125.185, subdivisions 4 and 4a; 125.62, subdivision 6; 126.70; 135A.03, subdivision 3a; 136D.22, subdivision 3; 136D.71, subdivision 2; 136D.76, subdivision 2; 136D.82, subdivision 3; 245A.03, subdivision 2; 275.065, subdivision 1; 275.125, subdivisions 6j and 11g; 364.09; and 373.42, subdivision 2; Laws 1990, chapter 366, section 1, subdivision 2; Laws 1991, chapter 265, articles 3, section 39, subdivision 16; 4, section 30, subdivision 11; 5, sections 18, 23, and 24, subdivision 4; 6, sections 64, subdivision 6, 67, subdivision 3, and 68; 7, sections 37, subdivision 6, 41, subdivision 4, and 44; 8, sections 14 and 19, subdivision 6; and 9, sections 75 and 76; proposing coding for new law in Minnesota Statutes,

chapters 123; 124; 124C; and 135A; repealing Minnesota Statutes 1990, sections 121.25; 121.26; 121.27; 121.28; 122.23, subdivisions 16a and 16b; 124.274; 125.03, subdivision 5; 128A.022, subdivision 5; 134.34, subdivision 2; 136D.74, subdivision 3; 136D.76, and subdivision 3; Minnesota Statutes 1991 Supplement, sections 121.935, subdivisions 7 and 8; 123.35, subdivision 19; 124.2721, subdivisions 5a and 5b; 124.2727, subdivisions 1, 2, 3, 4, and 5; and 136D.90, subdivision 2; Laws 1990, chapters 562, article 12; 604, article 8, section 12; and 610, article 1, section 7, subdivision 4; and Laws 1991, chapter 265, article 9, section 73.

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

The question was taken on the repassage of the bill and the roll was called. There were 127 yeas and 6 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Abrams	Kinkel	Olsen, S.
Erhardt	Knickerbocker	Welker

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

SPECIAL ORDERS

S. F. No. 512 was reported to the House.

Thompson moved to amend S. F. No. 512, as follows:

Page 14, after line 14, insert:

"Section 15. Minnesota Statutes 1990, section 18E.02, subdivision 5, is amended to read:

Subd. 5. [ELIGIBLE PERSON.] "Eligible person" means:

(1) a responsible party or an owner of real property, but does not include the state, a state agency, a political subdivision of the state, except as provided in clause (2), the federal government, or an agency of the federal government; or

(2) the owners of municipal airports at Perham, Madison, and Hector, Minnesota where a licensed aerial pesticide applicator has caused an incident through storage, handling, or distribution of agricultural chemicals if (i) the commissioner has determined that corrective action is necessary and (ii) the commissioner determines, and the agricultural chemical response compensation board concurs, that based on an affirmative showing made by the owner, a responsible party cannot be identified or the identified responsible party is unable to comply with an order for corrective action.

The commissioner and the Agricultural Chemical Response Compensation Board must study and report to the Legislative Water Commission by January, 1994 the effect on the Agricultural Chemical Response and Reimbursement Account of including other owners of municipal airports as eligible persons under Chapter 18E."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 512, A bill for an act relating to agriculture; regulating noxious weeds; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 18; repealing Minnesota Statutes 1990, sections 18.171 to 18.189; 18.192; 18.201; 18.211 to 18.315; and 18.321 to 18.323; Minnesota Statutes 1991 Supplement, section 18.191.

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

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

Those who voted in the affirmative were:

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

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

S. F. No. 2434 was reported to the House.

Rice moved that S. F. No. 2434 be continued on Special Orders. The motion prevailed.

S. F. No. 2743 was reported to the House.

Skoglund moved that S. F. No. 2743 be continued on Special Orders. The motion prevailed.

H. F. No. 2717, A bill for an act relating to water; providing that well setback rules may be waived for dairy farmers; requiring maintenance of a statewide nitrate data base; modifying requirements relating to well disclosure certificates and sealing of wells; establishing a well sealing account; requiring a report on environmental consulting services; amending Minnesota Statutes 1990, sections 32.394, by adding subdivisions; 103L.301, subdivision 4; 103L.315; and 103L.341, subdivisions 1 and 5; Minnesota Statutes 1991 Supplement, sections 16B.92, by adding a subdivision;

103I.222; 103I.235; and 103I.301, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 103A and 103I.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 2017, A bill for an act relating to utilities; defining the term excavation; authorizing land surveyors to receive location information related to underground facilities; requiring notice of land surveys; clarifying authority of commission to reinstate original rate for a telephone service subject to emerging competition on finding proposed rate is below incremental cost or is not just and reasonable; requiring commission to make final decision within 180 days on rate increase of telephone service subject to effective competition, when contested case hearing is not held; providing for telephone company promotion activities; authorizing the recording of monuments on plats before actual placement; amending Minnesota Statutes 1990, sections 216D.01, subdivision 8, and by adding subdivisions; 216D.04; 237.60, subdivision 2; 465.79, subdivisions 2 and 4; 505.02, subdivision 1; and 505.03, subdivision 1; Minnesota Statutes 1991 Supplement, 216D.01, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 237.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 2314 was reported to the House.

Sarna moved to amend S. F. No. 2314, as follows:

Page 1, after line 13, insert:

"Sec. 2. Minnesota Statutes 1990, section 471.44, is amended to read:

471.44 [MUNICIPALITIES TO FURNISH COUNSEL TO DEFEND PUBLIC OFFICIALS.]

Subdivision 1. [COSTS IN DEFENSE OF LEGAL ACTION.] On and after the passage of Laws 1937, chapter 442, every city, town, or county of this state employing sheriffs, police officers, or peace officers shall be required to furnish legal counsel to defend any sheriff, deputy sheriff, police officer, or peace officer employed by any

such governmental subdivision in all actions brought against such officer to recover damages for alleged false arrest or alleged injury to person, property or character, when such alleged false arrest or alleged injury to person, property or character was the result of an arrest made by such officer in good faith and in the performance of official duties and pay the reasonable costs and expenses of defending such suit, including witness fees and reasonable counsel fees, notwithstanding any contrary provisions in the laws of this state or in the charter of any such governmental subdivision.

Subd. 2. [COSTS IN DEFENSE OF CIVILIAN COMPLAINTS.] A home rule charter or statutory city, town, or county that establishes a peace officer civilian review authority to review civilian complaints about alleged peace officer misconduct shall pay the reasonable costs of legal counsel and reasonable fees incurred by the officer in defending against a complaint if the complaint is not upheld. If a complaint against a peace officer is sustained, no payment may be made under this subdivision."

Page 1, line 15, after "effective" insert "upon compliance by the Minneapolis city council with section 645.021 and section 2 is effective"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 2314, A bill for an act relating to the city of Minneapolis; requiring an equitable participation by planning districts in neighborhood revitalization programs; amending Minnesota Statutes 1990, section 469.1831, by adding a subdivision.

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

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

Those who voted in the affirmative were:

Abrams	Battaglia	Bertram	Bodahl	Carruthers
Anderson, I.	Bauerly	Bettermann	Boo	Cooper
Anderson, R.	Beard	Bishop	Brown	Dauner
Anderson, R. H.	Begich	Blatz	Carlson	Daids

Dawkins	Jacobs	Macklin	Ostrom	Stanius
Dempsey	Janezich	Mariani	Ozment	Steensma
Dille	Jaros	Marsh	Pauly	Sviggum
Dorn	Jefferson	McEachern	Pellow	Swenson
Erhardt	Jennings	McGuire	Pelowski	Thompson
Farrell	Johnson, A.	McPherson	Peterson	Tompkins
Frederick	Johnson, R.	Milbert	Pugh	Trimble
Frerichs	Johnson, V.	Morrison	Reding	Tunheim
Garcia	Kahn	Munger	Rest	Uphus
Girard	Kalis	Murphy	Rice	Valento
Goodno	Kelso	Nelson, K.	Rodosovich	Vanasek
Greenfield	Kinkel	Nelson, S.	Rukavina	Vellenga
Gruenes	Knickerbocker	Newinski	Runbeck	Wagenius
Gutknecht	Koppendrayner	O'Connor	Sarna	Waltman
Hanson	Krambeer	Ogren	Schafer	Weaver
Hartle	Krinkie	Olson, S.	Schreiber	Welker
Hasskamp	Krueger	Olson, E.	Seaberg	Welle
Haukoos	Lasley	Olson, K.	Segal	Wenzel
Hausman	Leppik	Omman	Simoneau	Winter
Heir	Lieder	Onnen	Skoglund	Spk. Long
Henry	Limmer	Orenstein	Smith	
Hufnagle	Lourey	Orfield	Solberg	
Hugoson	Lynch	Osthoff	Sparby	

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

S. F. No. 2282, A bill for an act relating to state government; regulating administrative rulemaking; providing for corrective legislation; extending the response period that precedes the writing of an administrative law judge's report on rules adopted after public hearing; requiring the attorney general and administrative law judge to disregard harmless errors; regulating notices; amending Minnesota Statutes 1990, sections 3C.04, subdivision 4; 14.115, subdivision 5; 14.15, subdivision 1, and by adding a subdivision; 14.22; 14.26; 14.30; and 14.32.

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 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Brown	Frerichs	Hufnagle	Knickerbocker
Anderson, I.	Carlson	Garcia	Hugoson	Koppendrayner
Anderson, R.	Carruthers	Girard	Jacobs	Krambeer
Anderson, R. H.	Clark	Goodno	Janezich	Krinkie
Battaglia	Cooper	Greenfield	Jaros	Krueger
Bauerly	Dauner	Gruenes	Jefferson	Lasley
Beard	Davids	Gutknecht	Jennings	Leppik
Begich	Dawkins	Hanson	Johnson, A.	Lieder
Bertram	Dempsey	Hartle	Johnson, R.	Limmer
Bettermann	Dille	Hasskamp	Johnson, V.	Lourey
Bishop	Dorn	Haukoos	Kahn	Lynch
Blatz	Erhardt	Hausman	Kalis	Macklin
Bodahl	Farrell	Heir	Kelso	Mariani
Boo	Frederick	Henry	Kinkel	Marsh

McEachern	Olson, E.	Pugh	Skoglund	Valento
McGuire	Olson, K.	Reding	Smith	Vanasek
McPherson	Omann	Rest	Solberg	Vellenga
Milbert	Onnen	Rice	Sparby	Wagenius
Morrison	Orenstein	Rodosovich	Stanis	Waltman
Munger	Orfield	Rukavina	Steensma	Weaver
Murphy	Osthoff	Runbeck	Svigum	Wejzman
Nelson, K.	Ostrom	Sarna	Swenson	Welker
Nelson, S.	Ozment	Schafer	Thompson	Welle
Newinski	Pauly	Schreiber	Tompkins	Wenzel
O'Connor	Pellow	Seaberg	Trimble	Winter
Ogren	Pelowski	Segal	Tunheim	Spk. Long
Olsen, S.	Peterson	Simoneau	Uphus	

The bill was passed and its title agreed to.

S. F. No. 1230 was reported to the House.

Reding moved that S. F. No. 1230 be temporarily laid over on Special Orders. The motion prevailed.

S. F. No. 2286 was reported to the House.

Murphy moved that S. F. No. 2286 be temporarily laid over on Special Orders. The motion prevailed.

S. F. No. 1691 was reported to the House.

Milbert moved that S. F. No. 1691 be continued on Special Orders. The motion prevailed.

H. F. No. 1453 was reported to the House.

Trimble moved that H. F. No. 1453 be continued on Special Orders. The motion prevailed.

S. F. No. 1230 which was temporarily laid over earlier today was again reported to the House.

Reding moved to amend S. F. No. 1230, as follows:

Page 15, after line 24, insert:

"ARTICLE 4

INDIVIDUAL RETIREMENT ACCOUNT PLAN
EMPLOYER CONTRIBUTION RATE INCREASE AND
RELATED CHANGES

Section 1. Minnesota Statutes 1990, section 354B.04, subdivision 1, is amended to read:

Subdivision 1. [MEMBER CONTRIBUTIONS.] Persons in covered employment who participate in the plan shall make a member contribution ~~in an amount equal to the amount prescribed by section 354.42, subdivision 2 of 4-1/2 percent of salary.~~ The contribution must be made by payroll deduction each pay period.

Sec. 2. Minnesota Statutes 1991 Supplement, section 354B.04, subdivision 2, is amended to read:

Subd. 2. [EMPLOYER CONTRIBUTIONS.] The employer of persons in covered employment who participate in the plan shall make an employer contribution to the plan ~~in an amount equal to the amount prescribed by section 354.42, subdivision 3 of six percent of salary.~~

Sec. 3. [354B.045] [SABBATICAL LEAVE; CONTRIBUTIONS.]

A plan participant on sabbatical leave may make an employee contribution at the rate specified in section 354B.04, based on the difference between the salary received for the sabbatical leave and the salary received for a comparable period during the year immediately preceding the leave. The payment must be made by the end of the fiscal year following the fiscal year in which the leave terminates, and must be without interest. If an employee makes a contribution under this section, the employer must make the employer contribution, at the rate specified in section 354B.04, for the salary that was the basis for the employee payment. The employer contribution must be made within 60 days of the employee contribution.

Sec. 4. Minnesota Statutes 1990, section 354B.05, subdivision 1, is amended to read:

Subdivision 1. [GOVERNING BOARDS.] The state university board shall administer the plan for persons in covered employment under section 354B.01, subdivision 2. The community college board shall administer the plan for persons in covered employment under section 354B.01, subdivision 3. One-tenth of one percent of salary must be deducted from the employee contributions and one-tenth of one percent of salary from the employer contributions made under section 354B.04, to pay the administrative expenses of the plan.

Sec. 5. [354B.085] [PAYMENT OF BENEFITS.]

Withdrawal of or a retirement benefit based on individual participant contributions and employer contributions plus accrued investment income is payable immediately upon the death or termination of a participant. An application by or on behalf of the participant must be filed before any payment of benefits may be made.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective July 1, 1993."

Amend the title as follows:

Page 1, line 3, after "associations" insert "and the state university and community college individual retirement account plans"

Page 1, line 12, after the semicolon, insert "increasing the individual retirement account plans employer contribution rate;"

Page 1, line 13, after the semicolon, insert "354B.04, subdivision 1; 354B.05, subdivision 1;"

Page 1, line 15, after the semicolon, insert "Minnesota Statutes 1991 Supplement, section 354B.04, subdivision 2;"

Page 1, line 17, delete "chapter" and insert "chapters" and after "69" insert ", and 354B"

The motion prevailed and the amendment was adopted.

The Speaker called Krueger to the Chair.

Cooper; Dille; Johnson, V., and Reding moved to amend S. F. No. 1230, as amended, as follows:

Page 15, after line 24, insert:

"ARTICLE 5

**AMBULANCE SERVICE PERSONNEL LONGEVITY AWARD
AND INCENTIVE PROGRAM**

**Section 1. [356B.01] [AMBULANCE SERVICE PERSONNEL
LONGEVITY AWARD AND INCENTIVE PROGRAM.]**

Subdivision 1. [ESTABLISHMENT.] An ambulance service personnel longevity award and incentive program is established. The program is intended to recognize the service rendered to state and local government, and the citizens of Minnesota by qualified ambulance service personnel and to reward qualified ambulance service personnel for significant contributions to state and local government and to the public. The purpose of the ambulance service personnel longevity award and incentive trust is to accumulate funds to allow for the payment of longevity awards to qualified ambulance service personnel upon the completion of a substantial ambulance service career.

Subd. 2. [ADMINISTRATION.] (a) The ambulance service personnel longevity award and incentive program is administered by the commissioner of health. The administrative responsibilities of the commissioner of health for the program relate solely to the record keeping, award application, and award payment functions. The state board of investment is responsible for the investment of the ambulance service personnel longevity award and incentive trust. Each ambulance service is responsible for determining, consistent with this chapter, who is a qualified ambulance service person, what constitutes a year of credited ambulance service, what constitutes sufficient documentation of a year of prior service, and submission of all necessary data to the commissioner of health in a manner consistent with this chapter. Determinations of an ambulance service are final.

(b) The commissioner of health may administer the program directly or may retain a qualified plan administrator under contract to administer the program. A contract with a qualified plan administrator must be the result of an open competitive bidding process and must be reopened for competitive bidding at least every five years.

Sec. 2. [356B.02] [PROGRAM ELIGIBILITY; QUALIFIED AMBULANCE SERVICE PERSONNEL.]

(a) Persons eligible to participate in the ambulance service personnel longevity award and incentive program are qualified ambulance service personnel.

(b) Qualified ambulance service personnel are ambulance attendants, ambulance drivers, and ambulance service medical directors or medical advisors who meet the following requirements:

(1) employment by or provision of service to an ambulance service that is licensed as such by the state of Minnesota and that provides ambulance services that are generally available to the public and are free of unfair discriminatory practices under chapter 363;

(2) performance during the 12 months ending as of the immedi-

ately previous June 30 of all or a predominant portion of services in the state of Minnesota or on behalf of Minnesota residents, as verified by August 1 annually in an affidavit from the chief administrative officer of the ambulance service;

(3) current certification during the 12 months ending as of the immediately previous June 30 by the Minnesota department of health as an ambulance attendant, ambulance driver, or ambulance service medical director or medical advisor under section 144.804, and supporting rules and current active ambulance service employment or service provision status, as verified by August 1 annually in an affidavit from the chief administrative officer of the ambulance service; and

(4) conformance with the definition of the phrase "volunteer ambulance attendant" under section 144.8091, subdivision 2, except that for the salary limit specified in that provision there must be substituted, for purposes of this section only, a limit of \$3,000 for calendar year 1992, and \$3,000 multiplied by the cumulative percentage increase in the national Consumer Price Index, all items, for urban wage earners and clerical workers, as published by the federal Department of Labor, Bureau of Labor Statistics, since December 31, 1992, and for an ambulance service medical director, conformance based solely on the person's hourly stipends or salary for service as a medical director.

(c) The term "active ambulance service employment or service provision status" means being in good standing with and on the active roster of the ambulance service making the certification.

(d) The maximum period of ambulance service employment or service provision for which a person may receive credit towards an award under this chapter, including prior service credit under section 7, subdivision 2, paragraph (c), is 20 years.

Sec. 3. [356B.03] [AMBULANCE SERVICE PERSONNEL LONGEVITY AWARD AND INCENTIVE TRUST; TRUST ACCOUNT.]

Subdivision 1. [TRUST.] There is established an ambulance service personnel longevity award and incentive trust.

Subd. 2. [TRUST ACCOUNT.] There is established in the general fund an ambulance service personnel longevity award and incentive trust account. The trust account must be credited with the proceeds of the driver's license surtax imposed under section 171.06, subdivision 2b, and investment earnings on those accumulated proceeds. The assets and income of the trust account must be held and managed by the commissioner of finance and the state board of investment for the benefit of the state of Minnesota and its general creditors.

Subd. 3. [PRIORITY OF CLAIMS.] The state of Minnesota intends that this program, trust, and trust account not constitute a separate fund for any legal purpose, including the federal Internal Revenue Code, as amended, and the federal Employee Retirement Income Security Act of 1974, as amended. Qualified ambulance service personnel have only an unsecured promise of the state of Minnesota to pay a longevity award upon meeting entitlement requirements set forth in section 8, and qualified ambulance service personnel meeting those entitlement requirements have the status of general unsecured creditors with respect to an ambulance service personnel longevity award if and when awarded.

Sec. 4. [356B.04] [CONTRIBUTIONS TO ACCOUNT.]

The contributions to the ambulance service personnel longevity award and incentive trust account by the state of Minnesota are the proceeds of the driver's license surtax imposed under section 171.06, subdivision 2b.

Sec. 5. [356B.05] [DISTRIBUTIONS FROM ACCOUNT.]

Subdivision 1. [AWARD PAYMENTS.] (a) The commissioner of health or the commissioner's designee under section 1, subdivision 2, shall pay ambulance service personnel longevity awards to qualified ambulance service personnel determined by the commissioner to be entitled to an award under section 8.

(b) If the state of Minnesota is unable to meet its financial obligations as they become due, the commissioner of health shall undertake all necessary steps to discontinue paying ambulance service personnel longevity awards until the state of Minnesota is again able to meet its financial obligations as they become due.

Subd. 2. [GENERAL CREDITORS OF THE STATE.] The trust account is at all times subject to a levy under an execution of any general creditor of the state of Minnesota, and if no other funds are available to satisfy that levy, the levy has priority for payment from the trust account before any ambulance service personnel longevity award.

Sec. 6. [356B.06] [TRUST ACCOUNT INVESTMENT.]

The trust account must be invested by the state board of investment, as provided in section 11A.20.

Sec. 7. [356B.07] [CREDITING QUALIFIED AMBULANCE PERSONNEL SERVICE.]

Subdivision 1. [SEPARATE RECORD KEEPING.] The commissioner of health or the commissioner's designee under section 1,

subdivision 2, shall maintain a separate record of potential award accumulations for each qualified ambulance service person under subdivision 2.

Subd. 2. [POTENTIAL ALLOCATIONS.] (a) On September 1, annually, the commissioner of health or the commissioner's designee under section 1, subdivision 2, shall determine the amount of the allocation of the prior year's accumulation to each qualified ambulance service person. The prior year's net investment gain or loss must be allocated and the prior year's driver's license surtax under section 171.06, subdivision 2b, also must be allocated.

(b) The difference in the market value of the assets of the ambulance service personnel longevity award and incentive trust account as of the immediately previous June 30 and the June 30 occurring 12 months earlier must be reported on or before August 15 by the state board of investment. The market value gain or loss must be expressed as a percentage of the total potential award accumulations as of the immediately previous June 30, and that positive or negative percentage must be applied to increase or decrease the recorded potential award accumulation of each qualified ambulance service person.

(c) The driver's license surtax proceeds for the 12 months ending on the immediately previous June 30 must be reported on or before August 15 to the commissioner of health by the commissioner of public safety. The amount of proceeds must be divided by the total number of additional ambulance service personnel years of service recognized since the last allocation or 1,000 years of service, whichever is greater. A qualified ambulance service person must be credited with a year of service if the person is certified by the chief administrative officer of the ambulance service as having rendered active ambulance service during the 12 months ending as of the immediately previous June 30. If the person has rendered prior active ambulance service, the person must be additionally credited with one-fifth of a year of service for each year of active ambulance service rendered before June 30, 1992, but not to exceed one additional year of service in any year or to exceed in total five years of prior service. Prior active ambulance service means employment by or the provision of service to a licensed ambulance service before June 30, 1992, as determined by the person's current ambulance service based on records that were contemporaneous to the service as provided by the person. The prior ambulance service must be reported to the commissioner of health in an affidavit from the chief administrative officer of the ambulance service.

Sec. 8. [356B.08] [AMBULANCE SERVICE PERSONNEL LONGEVITY AWARD.]

(a) A qualified ambulance service person who terminates active ambulance service, who has at least five years of credited ambulance

service, who is at least 50 years old, and who is among the 400 persons with the greatest amount of credited ambulance service applying for a longevity award during that year, is entitled, upon application, to an ambulance service personnel longevity award. An applicant whose application is not approved because of the limit on the number of annual awards may apply in a subsequent year.

(b) If a qualified ambulance service person who meets the age and service requirements specified in paragraph (a) dies before applying for a longevity award, the estate of the decedent is entitled, upon application, to the decedent's ambulance service personnel longevity award, without reference to the limit on the number of annual awards.

(c) An ambulance service personnel longevity award is the total amount of the person's accumulations indicated in the person's separate record under section 7 as of the June 30 preceding the application. The amount is payable only in a lump sum.

(d) Applications for an ambulance service personnel longevity award must be received by the commissioner of finance or the commissioner's designee under section 1, subdivision 2, by August 15, annually. Ambulance service personnel longevity awards are payable only as of the last business day in October annually.

Sec. 9. [356B.09] [EFFECT OF CHANGES.]

Subdivision 1. [MODIFICATIONS.] The ambulance service personnel longevity award and incentive program is a gratuity established by the state of Minnesota and may be modified by legislative enactment at any time without creating any cause of action for any ambulance service personnel related to the program as a result. No provision of this act and no subsequent amendment may be interpreted as causing or resulting in the program to be funded for federal Internal Revenue Code or federal Employee Retirement Income Security Act of 1974 purposes, or as causing or resulting in any contributions to or investment income earned by the ambulance service personnel longevity award and incentive trust account to be subject to federal income tax to ambulance service personnel or their beneficiaries before actual receipt of a longevity award under section 8.

Subd. 2. [NONASSIGNABILITY.] No entitlement or claim of a qualified ambulance service person or the person's beneficiary to an ambulance service personnel longevity award is assignable, or subject to garnishment, attachment, execution, levy, or legal process of any kind. The commissioner of health may not recognize any attempted transfer, assignment, or pledge of an ambulance service personnel longevity award.

Subd. 3. [PUBLIC EMPLOYEE STATUS.] Recognizing the impor-

tant public function performed by ambulance service personnel, only for purposes of this act and the receipt of a state sponsored gratuity in the form of an ambulance service personnel longevity award, all qualified ambulance service personnel are considered to be public employees.

Sec. 10. [SCOPE OF ADMINISTRATIVE DUTIES.]

For purposes of administering the award and incentive program, the commissioner cannot hear appeals, direct ambulance services to take actions, investigate or take action on individual complaints, or otherwise act on information beyond that submitted by the licensed ambulance services.

Sec. 11. [APPROPRIATION; COMPLEMENT INCREASE.]

In fiscal year 1993, the commissioner of health may expend up to \$40,000 of the proceeds of the driver's license surtax for the expenses of administering the longevity award and incentive program, as well as up to \$45,000 for the purpose of redesigning and consolidating the volunteer ambulance attendant reimbursement data base and the data base for the personnel longevity award and incentive program and purchase of computer equipment.

In fiscal year 1994 and beyond, reasonable and necessary expenses of administering the ambulance service longevity award and incentive program may be expended by the commissioner of health from the trust account established in section 3. Administrative expenses may not exceed three percent of the proceeds of the driver's license surtax for that year.

The complement of the department of health is increased by ... positions for the fiscal year ending June 30, 1992, and by ... positions for the fiscal year ending June 30, 1993.

Sec. 12. [EFFECTIVE DATE.]

Sections 1 to 7, 9, and 10, are effective on July 1, 1992. Section 8 is effective on July 1, 1993. Section 11 is effective the day following final enactment.

ARTICLE 6

CONFORMING CHANGES

Section 1. Minnesota Statutes 1991 Supplement, section 171.06, subdivision 2b, is amended to read:

Subd. 2b. [SURTAX IMPOSED.] A surtax of \$2 is imposed on classified drivers license and classified under 21 drivers licenses in

subdivision 2. This surtax does not apply to duplicate drivers licenses. The surtax must be paid into the state treasury and credited to the emergency medical services ambulance service personnel longevity award and incentive trust account of the general fund established in article 1, section 353D.01 3.

Sec. 2. Minnesota Statutes 1991 Supplement, section 353D.01, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY.] (a) Except as provided in section 353D.11, eligibility to participate in the defined contribution plan is open to:

(1) an elected local government official of a governmental subdivision who elects to participate in the plan and who is not a member of the public employees retirement association within the meaning of section 353.01, subdivision 7. The service of an elected local government official on an additional board, commission, or committee, even if part of the official's elected position, is not covered service under this plan. Eligibility to participate in the defined contribution plan terminates when the participant ceases to be an elected local government official. For purposes of this chapter, an elected local government official does not include an elected county sheriff; and

(2) ~~eligibility to participate is open to~~ basic and advanced life support emergency medical service personnel employed by or providing services for any public ambulance service or privately operated ambulance service that receives an operating subsidy from a governmental entity that elects to participate; and

(3) ~~a person who qualifies to have an ambulance service personnel incentive payment made on the person's behalf under section 353D.031.~~

(b) For purposes of this chapter, an elected local government official includes a person appointed to fill a vacancy in an elective office. Elected local government official does not include an elected county sheriff.

(c) Except as provided in section 353D.11, elected local government officials and first response personnel and emergency medical service personnel who are currently covered by a public or private pension plan because of their employment or provision of services are not eligible to participate in the plan.

Sec. 3. Minnesota Statutes 1991 Supplement, section 353D.02, is amended to read:

353D.02 [ELECTION OF COVERAGE.]

(a) Elected local government officials eligible under section 353D.01, subdivision 2, paragraph (a), clause (1), may elect to participate in the defined contribution plan after being elected or appointed to a public office by filing a membership application on a form prescribed by the executive director of the association authorizing contributions to be deducted from the elected official's salary. Participation begins on the first day of the pay period for which the contributions were deducted or, if pay period coverage dates are not provided, the date on which the membership application or contributions are received in the office of the association, whichever is received first, provided further that the membership application is received by the association within 60 days of the receipt of the contributions. If the membership application is not received, the elected official is not a participant in the plan and may request a refund under section 353D.04, subdivision 2. An election to participate in the plan is irrevocable during incumbency in office.

(b) For personnel eligible under section 353D.01, subdivision 2, paragraph (a), clause (2), a public ambulance service or privately operated ambulance service that receives an operating subsidy from a governmental entity with eligible personnel may elect to participate in the plan. If a service elects to participate, its eligible personnel may elect to participate or to decline to participate. An individual's election must be made within 30 days of the service's election to participate or 30 days of the date on which the individual was employed by the service or began to provide service for it, whichever date is later. An election by a service or an individual is irrevocable.

~~(c) A person eligible under section 353D.01, subdivision 2, paragraph (a), clause (3), may elect to participate in the plan. The person must elect to participate or decline to participate by June 30, 1994, or by June 30 of the fiscal year after June 30, 1994, which the person first becomes qualified to have an ambulance service personnel incentive payment made on the person's behalf under section 353D.031.~~

Sec. 4. Minnesota Statutes 1991 Supplement, section 353D.03, is amended to read:

353D.03 [FUNDING OF PLAN.]

(a) An elected local government official eligible under section 353D.01, subdivision 2, paragraph (a), clause (1), who elects to participate in the public employees defined contribution plan shall contribute an amount equal to five percent of salary as defined in section 353.01, subdivision 10. A participating elected local government official's governmental subdivision shall contribute a matching amount.

(b) A public ambulance service or privately operated ambulance

service that receives an operating subsidy from a governmental entity that elects to participate in the plan shall fund benefits for its personnel eligible under section 353D.01, subdivision 2, paragraph (a), clause (2), who individually elect to participate, except that personnel who are paid for their services may elect to make member contributions in an amount not to exceed the service's contribution on their behalf. Ambulance service contributions on behalf of salaried employees must be a fixed percentage of salary. An ambulance service making contributions for volunteer or largely uncompensated personnel may assign a unit value for each call or each period of alert duty for the purpose of calculating ambulance service contributions. ~~An ambulance service with personnel for whom funding is provided under the paragraph that has ambulance attendants, ambulance drivers, and ambulance service medical directors qualified to have an ambulance service personnel incentive payment made on the person's behalf under section 353D.031 may discontinue that funding if the ambulance service has given its participating personnel at least 18 months notice of its intent to discontinue its funding of the plan.~~

Sec. 5. Minnesota Statutes 1991 Supplement, section 353D.05, subdivision 1, is amended to read:

Subdivision 1. [INVESTMENT.] Employing unit contributions under section 353D.03 ~~and ambulance service personnel incentive allocation under section 353D.031~~, after the deduction of an amount for administrative expenses, and individual participant contributions must be remitted to the state board of investment for investment in the Minnesota supplemental investment fund established by section 11A.17.

Sec. 6. Minnesota Statutes 1991 Supplement, section 353D.05, subdivision 3, is amended to read:

Subd. 3. [ADMINISTRATIVE EXPENSES.] The public employees retirement association may deduct an amount to defray the expenses of the association in administering the plan. The amount must be set annually by the executive director of the association, but not to exceed two percent of the total amount of the employing unit contributions to the plan ~~and the ambulance service personnel incentive allocation received by the plan.~~

Sec. 7. Minnesota Statutes 1991 Supplement, section 353D.06, is amended to read:

353D.06 [REPORTING.]

The executive director of the public employees retirement association shall prescribe the reporting forms required from employing units and the election forms required from participants. Reporting forms must contain names, identification numbers, amount of

contribution by and on behalf of each participant, and such other data as is required to keep an accurate record of the account value of each participant and to determine eligibility for aid allocations of ambulance service personnel incentive amounts under section 353D.031.

In the event an ambulance service fails to provide required information within 60 days after the public employees retirement association sends the service a notice that the information is overdue, its members forfeit the service units credited and its members are not entitled to the ambulance service personnel incentive amount allocated for that year. Ambulance services that provide fraudulent information are subject to criminal prosecution.

Sec. 8. [COMPREHENSIVE REVIEW OF THE STATE EMERGENCY MEDICAL SERVICES SYSTEM.]

Notwithstanding Laws 1990, chapter 568, article 2, section 95, to the contrary, the recommendations of the commissioner of health must be provided to the legislature by January 1, 1993.

Sec. 9. [REPEALER.]

Minnesota Statutes 1991 Supplement, sections 353D.01, subdivisions 1a and 1b; 353D.021; 353D.031; 353D.051; and 353D.091, are repealed. Laws 1991, chapter 291, article 19, section 11, is repealed.

Sec. 10. [EFFECTIVE DATE.]

Section 1 is effective January 1, 1993. Sections 2 to 7 and 9 are effective July 1, 1992."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 1230, A bill for an act relating to retirement; volunteer firefighters relief associations; increasing service pension maximums; establishing a fire state aid maximum apportionment; providing penalties for noncompliance with service pension maximums; specifying duties for the state auditor; ratifying certain prior nonconforming lump sum service pension payments; continuing certain nonconforming lump sum service pension amounts in force; modifying certain investment performance calculations; modifying certain

local volunteer firefighters relief association provisions; amending Minnesota Statutes 1990, sections 11A.04; 356.218, subdivisions 2 and 3; and 424A.02, subdivisions 1, 3, and by adding a subdivision; Laws 1971, chapter 140, section 5, as amended; proposing coding for new law in Minnesota Statutes, chapter 69.

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

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

H. F. No. 1838, A bill for an act relating to the environment; forgiving advances and loans made under a pilot litigation loan project relating to wastewater treatment.

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 3 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Dauids	Krinkie	Welker
--------	---------	--------

The bill was passed and its title agreed to.

S. F. No. 2286 which was temporarily laid over earlier today was again reported to the House.

S. F. No. 2286, A bill for an act relating to armories; providing for a public hearing before the adjutant general closes an armory; amending Minnesota Statutes 1990, section 193.36, by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 94 yeas and 35 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Bauerly	Brown	Cooper	Dempsey
Anderson, R.	Begich	Carlson	Dauner	Dille
Anderson, R. H.	Bettermann	Carruthers	Dauids	Dorn
Battaglia	Bodahl	Clark	Dawkins	Erhardt

Farrell	Jefferson	Milbert	Peterson	Thompson
Garcia	Jennings	Munger	Pugh	Tompkins
Girard	Johnson, A.	Murphy	Reding	Trimble
Goodno	Johnson, V.	Nelson, K.	Rest	Tunheim
Greenfield	Kahn	Nelson, S.	Rodosovich	Valento
Gruenes	Kalis	Ogren	Rukavina	Vanasek
Gutknecht	Koppendrayner	Olson, E.	Schafer	Vellenga
Hanson	Krambeer	Olson, K.	Seaberg	Wagenius
Hartle	Krinkie	Omann	Segal	Weaver
Hasskamp	Lasley	Orenstein	Simoneau	Wejzman
Heir	Leppik	Orfield	Skoglund	Welker
Hugoson	Lieder	Ostrom	Solberg	Welle
Jacobs	Lourey	Pauly	Sparby	Winter
Janezich	Mariani	Pellow	Stanius	Spk. Long
Jaros	McGuire	Pelowski	Steensma	

Those who voted in the negative were:

Abrams	Haukoos	Krueger	Morrison	Schreiber
Beard	Henry	Limmer	Newinski	Smith
Bertram	Hufnagle	Lynch	Olsen, S.	Sviggunum
Blatz	Johnson, R.	Macklin	Onnen	Swenson
Boo	Kelso	Marsh	Osthoff	Uphus
Frederick	Kinkel	McEachern	Ozment	Waltman
Frerichs	Knickerbocker	McPherson	Runbeck	Wenzel

The bill was passed and its title agreed to.

H. F. No. 1989, A bill for an act relating to Traverse county; excusing the county from the obligation to pay certain fees to the attorney general.

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 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Haukoos	Koppendrayner	Murphy
Anderson, I.	Davids	Hausman	Krambeer	Nelson, K.
Anderson, R.	Dawkins	Heir	Krinkie	Nelson, S.
Anderson, R. H.	Dempsey	Henry	Krueger	Newinski
Battaglia	Dille	Hufnagle	Lasley	O'Connor
Bauerly	Dorn	Hugoson	Leppik	Ogren
Beard	Erhardt	Jacobs	Lieder	Olsen, S.
Begich	Farrell	Janezich	Limmer	Olson, E.
Bertram	Frederick	Jaros	Lourey	Olson, K.
Bettermann	Frerichs	Jefferson	Lynch	Omann
Bishop	Garcia	Jennings	Macklin	Onnen
Blatz	Girard	Johnson, A.	Mariani	Orenstein
Bodahl	Goodno	Johnson, R.	Marsh	Orfield
Boo	Greenfield	Johnson, V.	McEachern	Osthoff
Brown	Gruenes	Kahn	McGuire	Ostrom
Carlson	Gutknecht	Kalis	McPherson	Ozment
Carruthers	Hanson	Kelso	Milbert	Pauly
Clark	Hartle	Kinkel	Morrison	Pellow
Cooper	Hasskamp	Knickerbocker	Munger	Pelowski

Peterson	Sarna	Solberg	Trimble	Weaver
Pugh	Schafer	Sparby	Tunheim	Wejzman
Reding	Schreiber	Stanisus	Uphus	Welker
Rest	Seaberg	Steensma	Valento	Welle
Rice	Segal	Sviggum	Vanasek	Wenzel
Rodosovich	Simoneau	Swenson	Vellenga	Winter
Rukavina	Skoglund	Thompson	Wagenius	Spk. Long
Runbeck	Smith	Tompkins	Waltman	

The bill was passed and its title agreed to.

S. F. No. 2510 was reported to the House.

Simoneau moved that S. F. No. 2510 be temporarily laid over on Special Orders. The motion prevailed.

H. F. No. 2032 was reported to the House.

Kalis moved that H. F. No. 2032 be continued on Special Orders. The motion prevailed.

H. F. No. 2134 was reported to the House.

Dawkins moved to amend H. F. No. 2134, the second engrossment, as follows:

Page 1, after line 16, insert:

“Section 1. Minnesota Statutes 1991 Supplement, section 16B.61, subdivision 3, is amended to read:

Subd. 3. [SPECIAL REQUIREMENTS.] (a) [SPACE FOR COMMUTER VANS.] The code must require that any parking ramp or other parking facility constructed in accordance with the code include an appropriate number of spaces suitable for the parking of motor vehicles having a capacity of seven to 16 persons and which are principally used to provide prearranged commuter transportation of employees to or from their place of employment or to or from a transit stop authorized by a local transit authority.

(b) [SMOKE DETECTION DEVICES.] The code must require that all dwellings, lodging houses, apartment houses, and hotels as defined in section 299F.362 comply with the provisions of section 299F.362.

(c) [DOORS IN NURSING HOMES AND HOSPITALS.] The state building code may not require that each door entering a sleeping or patient's room from a corridor in a nursing home or hospital with an

approved complete standard automatic fire extinguishing system be constructed or maintained as self-closing or automatically closing.

(d) [CHILD CARE FACILITIES IN CHURCHES; GROUND LEVEL EXIT.] A licensed day care center serving fewer than 30 preschool age persons and which is located in a below ground space in a church building is exempt from the state building code requirement for a ground level exit when the center has more than two stairways to the ground level and its exit.

(e) [CHILD CARE FACILITIES IN CHURCHES; VERTICAL ACCESS.] Until August 1, 1996, an organization providing child care in an existing church building which is exempt from taxation under section 272.02, subdivision 1, clause (5), shall have five years from the date of initial licensure under chapter 245A to provide interior vertical access, such as an elevator, to persons with disabilities as required by the state building code. To obtain the extension, the organization providing child care must secure a \$2,500 performance bond with the commissioner of human services to ensure that interior vertical access is achieved by the agreed upon date.

(f) [FAMILY AND GROUP FAMILY DAY CARE.] The commissioner of administration shall establish a task force to determine occupancy standards specific and appropriate to family and group family day care homes and to examine hindrances to establishing day care facilities in rural Minnesota. The task force must include representatives from rural and urban building code inspectors, rural and urban fire code inspectors, rural and urban county day care licensing units, rural and urban family and group family day care providers and consumers, child care advocacy groups, and the departments of administration, human services, and public safety.

By January 1, 1989, the commissioner of administration shall report the task force findings and recommendations to the appropriate legislative committees together with proposals for legislative action on the recommendations.

Until the legislature enacts legislation specifying appropriate standards, the definition of Group R-3 occupancies in the state building code applies to family and group family day care homes licensed by the department of human services under Minnesota Rules, chapter 9502.

(g) [MINED UNDERGROUND SPACE.] Nothing in the state building codes shall prevent cities from adopting rules governing the excavation, construction, reconstruction, alteration, and repair of mined underground space pursuant to sections 469.135 to 469.141, or of associated facilities in the space once the space has been created, provided the intent of the building code to establish reasonable safeguards for health, safety, welfare, comfort, and security is maintained.

(h) [ENCLOSED STAIRWAYS.] No provision of the code or any appendix chapter of the code may require stairways of existing multiple dwelling buildings of two stories or less to be enclosed.

(i) [DOUBLE CYLINDER DEAD BOLT LOCKS.] No provision of the code or appendix chapter of the code may prohibit double cylinder dead bolt locks in existing single-family homes, townhouses, and first floor duplexes used exclusively as a residential dwelling. Any recommendation or promotion of double cylinder dead bolt locks must include a warning about their potential fire danger and procedures to minimize the danger.

(j) [RELOCATED RESIDENTIAL BUILDINGS.] A residential building relocated within or into a political subdivision of the state need not comply with the state energy code or section 326.371 provided that, where available, an energy audit is conducted on the relocated building.

(k) [AUTOMATIC GARAGE DOOR OPENING SYSTEMS.] The code must require all residential buildings as defined in section 325F.82 to comply with the provisions of sections 325F.82 and 325F.83.

(l) [EXIT SIGN ILLUMINATION.] The code must prohibit the use of ~~incandescent bulbs, except for battery-powered back-up bulbs, in internally illuminated exit signs whose electrical consumption during non-emergency operation exceeds 20 watts of resistive power with a maximum total power consumption of 40 volt amperes (VA).~~ All other requirements in the code for exit signs must be complied with. Power consumption in volt amperes is the resistive power divided by the power factor.

Page 2, after line 32, insert:

"Sec. 6. Minnesota Statutes 1991 Supplement, section 299F.011, subdivision 4c, is amended to read:

Subd. 4c. [EXIT SIGN ILLUMINATION.] The uniform fire code must prohibit the use of ~~incandescent bulbs, except for battery-powered back-up bulbs, in internally illuminated exit signs whose electrical consumption during non-emergency operation exceeds 20 watts of resistive power with a maximum total power consumption of 40 volt amperes (VA).~~ All other requirements in the code for exit signs must be complied with. Power consumption in volt amperes is the resistive power divided by the power factor.

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 2134, A bill for an act relating to energy; prescribing the method of payment of petroleum tank release cleanup fees; requiring persons who remove basement heating oil storage tanks to remove fill and vent pipes to the outside; changing the inspection fee for petroleum products; imposing a fee on sales of liquefied petroleum gas; appropriating money to energy and conservation account for programs to improve energy efficiency of residential oil-fired and liquefied petroleum gas heating plants in low-income households; amending Minnesota Statutes 1990, section 115C.08, subdivision 3; Minnesota Statutes 1991 Supplement, sections 16B.61, subdivision 3; 239.78; and 299F.011, subdivision 4c; proposing coding for new law in Minnesota Statutes, chapters 116; and 239.

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

The question was taken on the passage of the bill and the roll was called. There were 95 yeas and 37 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dorn	Kahn	Nelson, S.	Seaberg
Anderson, R.	Erhardt	Kalis	O'Connor	Segal
Battaglia	Farrell	Kelso	Ogren	Simoneau
Bauerly	Garcia	Kinkel	Olsen, S.	Skoglund
Beard	Goodno	Knickerbocker	Orenstein	Solberg
Begich	Greenfield	Krambeer	Orfield	Steensma
Bertram	Gruenes	Krueger	Osthoff	Swenson
Bishop	Gutknecht	Lasley	Ostrom	Thompson
Blatz	Hanson	Leppik	Ozment	Trimble
Bodahl	Hasskamp	Lourey	Pauly	Tunheim
Boo	Hausman	Macklin	Pelowski	Vanasek
Brown	Heir	Mariani	Peterson	Vellenga
Carlson	Henry	Marsh	Pugh	Wagenius
Carruthers	Jacobs	McGuire	Reding	Weaver
Clark	Janezich	Milbert	Rest	Wejzman
Cooper	Jaros	Morrison	Rice	Welle
Dauner	Jefferson	Munger	Rodosovich	Wenzel
Dawkins	Johnson, A.	Murphy	Rukavina	Winter
Dille	Johnson, R.	Nelson, K.	Sarna	Spk. Long

Those who voted in the negative were:

Abrams	Hartle	Lieder	Onnen	Tompkins
Anderson, R. H.	Haukoos	Limmer	Runbeck	Uphus
Bettermann	Hufnagle	Lynch	Schafer	Valento
Davids	Hugoson	McPherson	Schreiber	Waltman
Dempsey	Jennings	Newinski	Smith	Welker
Frederick	Johnson, V.	Olson, E.	Sparby	
Frerichs	Koppendrayner	Olson, K.	Stanisus	
Girard	Krinkie	Omann	Sviggon	

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

S. F. No. 2556, A bill for an act relating to education; including in the PER policy a procedure for parents to review the content of instructional materials; entitling the PER report the "Annual Report on Curriculum and Student Performances"; including in the PER report information about curriculum advisory committee membership; amending Minnesota Statutes 1990, section 126.666, subdivisions 1 and 4.

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

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

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Abrams	Jennings	Olsen, S.	Reding
Hausman	Lourey	Olsen, E.	

The bill was passed and its title agreed to.

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

Runbeck, Weaver and Heir moved to amend H. F. No. 2349, the first engrossment, as follows:

Page 1, after line 19, insert:

"Section 1. Minnesota Statutes 1990, section 13.69, is amended by adding a subdivision to read:

Subd. 3. [COMMERCIAL LISTS.] (a) The department of public safety may not release lists of data on individuals contained in driver's license records if the data will be used for commercial purposes as part of a mailing list or telephone solicitation, unless the individual who is subject to the data consents to the release under section 171.06, subdivision 3.

(b) The department may not release lists of data on individuals contained in records of motor vehicles registered under chapter 168 if the data will be used for commercial purposes as part of a mailing list or telephone solicitation, unless the individual who is subject to the data consents in writing to the release. This paragraph does not apply to the release of data to a motor vehicle manufacturer for the purpose of notifying purchasers of a motor vehicle recall."

Page 14, after line 7, insert:

"Sec. 15. Minnesota Statutes 1991 Supplement, section 171.06, subdivision 3, is amended to read:

Subd. 3. [CONTENTS OF APPLICATION; OTHER INFORMATION.] (a) An application must state the full name, date of birth, sex and residence address of the applicant, a description of the applicant in such manner as the commissioner may require, and must state whether or not the applicant has theretofore been licensed as a driver; and, if so, when and by what state or country and whether any such license has ever been suspended or revoked, or whether an application has ever been refused; and, if so, the date of and reason for such suspension, revocation, or refusal, together with such facts pertaining to the applicant and the applicant's ability to operate a motor vehicle with safety as may be required by the commissioner. An application for a Class CC, Class B, or Class A driver's license also must state the applicant's social security number.

(b) The application form must provide for an election by the applicant to refuse to allow the applicant's name and address to be made available for sale or distribution.

(c) The application form must contain a space where the applicant may indicate a desire to make an anatomical gift. If the applicant does not indicate a desire to make an anatomical gift when the application is made, the applicant must be offered a donor document in accordance with section 171.07, subdivision 5. The application form must contain statements sufficient to comply with the requirements of the uniform anatomical gift act (1987), sections 595.921 to

525.9224, so that execution of the application or donor document will make the anatomical gift as provided in section 171.07, subdivision 5, for those indicating a desire to make an anatomical gift.

(d) The application form must contain a notification to the applicant of the availability of a living will designation on the license under section 171.07, subdivision 7.

(e) The application must be in the form prepared by the commissioner.

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

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

(g) The application form must also be accompanied by a pamphlet describing Minnesota laws regarding anatomical gifts and the need for and benefits of anatomical gifts."

Page 14, after line 10, insert:

"Sec. 17. [EFFECTIVE DATE.]

Sections 1 and 15 are effective January 2, 1993."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Runbeck et al amendment and the roll was called. There were 50 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Anderson, R. H.	Goodno	Johnson, R.	Morrison	Seaberg
Bettermann	Gruenes	Knickerbocker	Newinski	Smith
Bishop	Hartle	Koppendraye	Olsen, S.	Sparby
Boo	Haukoos	Krambeer	Olson, E.	Stanis
Davids	Hausman	Leppik	Omann	Sviggum
Dempsey	Heir	Limmer	Onnen	Swenson
Dille	Henry	Lynch	Ozment	Tompkins
Erhardt	Hugoson	Macklin	Pauly	Valento
Frederick	Jacobs	Marsh	Pellow	Waltman
Girard	Jennings	McPherson	Runbeck	Weaver

Those who voted in the negative were:

Abrams	Farrell	Krinkie	Osthoff	Thompson
Anderson, I.	Frerichs	Krueger	Ostrom	Trimble
Anderson, R.	Garcia	Lasley	Pelowski	Tunheim
Battaglia	Greenfield	Lieder	Peterson	Uphus
Bauerly	Gutknecht	Lourey	Pugh	Vanasek
Beard	Hanson	McEachern	Reding	Vellenga
Begich	Hasskamp	McGuire	Rest	Wagenius
Bertram	Hufnagle	Milbert	Rice	Wejcmán
Blatz	Janezich	Munger	Rodosovich	Welker
Bodahl	Jaros	Murphy	Rukavina	Welle
Brown	Jefferson	Nelson, K.	Sarna	Wenzel
Carlson	Johnson, A.	Nelson, S.	Schafer	Winter
Clark	Johnson, V.	O'Connor	Segal	Spk. Long
Cooper	Kahn	Ogren	Simoneau	
Dauner	Kalis	Olson, K.	Skoglund	
Dawkins	Kelso	Orenstein	Solberg	
Dorn	Kinkel	Orfield	Steensma	

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

Stanis, Dauner and Jennings moved to amend H. F. No. 2349, the first engrossment, as follows:

Page 14, after line 7, insert:

"Sec. 13. Minnesota Statutes 1990, section 171.06, subdivision 2, is amended to read:

Subd. 2. [FEES.] (a) The fees for a license and Minnesota identification card are as follows:

Classified Driver License	C-\$15	CC-\$19	B-\$26	A-\$34
	<u>C-\$16</u>	<u>CC-\$20</u>	<u>B-\$27</u>	<u>A-\$35</u>
Classified Under 21 D.L.	C-\$15	CC-\$19	B-\$26	A-\$14
	<u>C-\$16</u>	<u>CC-\$20</u>	<u>B-\$27</u>	<u>A-\$15</u>
Instruction Permit				\$6
				<u>\$7</u>
Duplicate Driver or Under 21 License				\$4.50
				<u>\$5.50</u>

Minnesota identification	\$9
card, except as otherwise	<u>\$10</u>
provided in section 171.07,	
subdivisions 3 and 3a	

Sec. 14. Minnesota Statutes 1990, section 171.06, subdivision 4, is amended to read:

Subd. 4. [APPLICATION, FILING.] Any applicant for an instruction permit, a driver's license, restricted license, or duplicate license may file an application with a court administrator of the district court or at a state office. The administrator or state office shall receive and accept the application. To cover all expenses involved in receiving, accepting, or forwarding to the department applications and fees, the court administrator of the district court may retain a county fee of ~~\$1~~ \$2 for each application for a Minnesota identification card, instruction permit, duplicate license, driver license, or restricted license. The amount allowed to be retained by the court administrator of the district court shall be paid into the county treasury and credited to the general revenue fund of the county. Before the end of the first working day following the final day of an established reporting period, the court administrator shall forward to the department all applications and fees collected during the reporting period, less the amount herein allowed to be retained for expenses. The court administrators of the district courts may appoint agents to assist in accepting applications, but the administrators shall require every agent to forward to the administrators by whom the agent is appointed all applications accepted and fees collected by the agent, except that an agent may retain one-half of the ~~\$1~~ \$2 county fee to cover the agent's expenses involved in receiving, accepting or forwarding the applications and fees. The court administrators shall be responsible for the acts of agents appointed by them and for the forwarding to the department of all applications accepted and those fees collected by agents and by themselves as are required to be forwarded to the department."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 2349, A bill for an act relating to motor vehicles; allowing registrar to recover the cost of manufacturing and issuing motor

vehicle license plates and stickers; modifying provisions for motorcycle license plates; crediting fees from the sale of license plates to the highway user tax distribution fund; changing requirements for classic car licenses; authorizing fuel tax compacts; amending Minnesota Statutes 1990, sections 168.012, by adding a subdivision; 168.021, subdivision 2a; 168.042, by adding a subdivision; 168.12, subdivisions 2 and 5; 168.128, by adding a subdivision; 168.187, subdivisions 17 and 26; and 168.29; Minnesota Statutes 1991 Supplement, sections 168.021, subdivision 1; 168.041, by adding a subdivision; and 168.10, subdivision 1b; proposing coding in Minnesota Statutes, chapter 296; repealing Minnesota Statutes 1990, section 296.17, subdivision 9a.

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

The question was taken on the passage of the bill and the roll was called. There were 26 yeas and 105 nays as follows:

Those who voted in the affirmative were:

Anderson, R. H.	Greenfield	Mariani	Rodosovich	Welle
Boo	Hugoson	Munger	Rukavina	Spk. Long
Dauner	Jaros	Nelson, K.	Sarna	
Dawkins	Kalis	Olson, K.	Stanisus	
Frederick	Lasley	Osthoff	Steensma	
Girard	Lieder	Rest	Vanasek	

Those who voted in the negative were:

Abrams	Farrell	Kahn	O'Connor	Segal
Anderson, I.	Frerichs	Kelso	Ogren	Simoneau
Anderson, R.	Garcia	Kinkel	Olsen, S.	Skoglund
Battaglia	Goodno	Knickerbocker	Olson, E.	Smith
Bauerly	Gruenes	Koppendraye	Omann	Solberg
Beard	Gutknecht	Krambeer	Onnen	Sparby
Begich	Hanson	Krinkie	Orenstein	Sviggum
Bertram	Hartle	Krueger	Orfield	Swenson
Bettermann	Hasskamp	Leppik	Ostrom	Thompson
Bishop	Haukoos	Limmer	Ozment	Tompkins
Blatz	Hausman	Lynch	Pauly	Trimble
Bodahl	Heir	Macklin	Pellow	Tunheim
Brown	Henry	Marsh	Pelowski	Uphus
Carlson	Hufnagle	McEachern	Peterson	Valento
Carruthers	Jacobs	McGuire	Pugh	Wagenius
Clark	Janezich	McPherson	Reding	Waltman
Cooper	Jefferson	Milbert	Rice	Weaver
Davids	Jennings	Morrison	Runbeck	Wejzman
Dempsey	Johnson, A.	Murphy	Schafer	Welker
Dorn	Johnson, R.	Nelson, S.	Schreiber	Wenzel
Erhardt	Johnson, V.	Newinski	Seaberg	Winter

The bill was not passed, as amended.

MOTIONS FOR RECONSIDERATION

Anderson, I., moved that the vote whereby H. F. No. 2349, as amended, was not passed on Special Orders earlier today be now reconsidered. The motion prevailed.

Anderson, I., moved that the action whereby H. F. No. 2349, as amended, was given its third reading be now reconsidered. The motion prevailed.

Osthoff moved that the vote whereby the Stanius et al amendment to H. F. No. 2349, as amended, which was adopted earlier today be now reconsidered.

CALL OF THE HOUSE

On the motion of Brown and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

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

Welle moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

CALL OF THE HOUSE LIFTED

Olsen, S., moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

The question recurred on the Osthoff motion that the vote whereby the Stanius et al amendment to H. F. No. 2349, as amended, which was adopted earlier today be now reconsidered. The motion prevailed.

H. F. No. 2349, as amended, was again reported to the House.

Stanius withdrew the Stanius et al amendment to H. F. No. 2349.

H. F. No. 2349, A bill for an act relating to motor vehicles; allowing registrar to recover the cost of manufacturing and issuing motor vehicle license plates and stickers; modifying provisions for motor-cycle license plates; crediting fees from the sale of license plates to the highway user tax distribution fund; changing requirements for classic car licenses; authorizing fuel tax compacts; amending Minnesota Statutes 1990, sections 168.012, by adding a subdivision; 168.021, subdivision 2a; 168.042, by adding a subdivision; 168.12, subdivisions 2 and 5; 168.128, by adding a subdivision; 168.187, subdivisions 17 and 26; and 168.29; Minnesota Statutes 1991 Supplement, sections 168.021, subdivision 1; 168.041, by adding a subdivision; and 168.10, subdivision 1b; proposing coding in Minnesota Statutes, chapter 296; repealing Minnesota Statutes 1990, section 296.17, subdivision 9a.

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 42 yeas and 91 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Farrell	Lasley	Rice	Wagenius
Anderson, R. H.	Frederick	Lieder	Rukavina	Wejzman
Battaglia	Garcia	Mariani	Seaberg	Welle
Begich	Greenfield	McGuire	Segal	Wenzel
Bodahl	Hanson	Olson, K.	Simoneau	Winter
Brown	Jaros	Orfield	Solberg	Spk. Long
Cooper	Johnson, A.	Osthoff	Steensma	
Dauner	Kahn	Pellow	Uphus	
Dille	Kalis	Reding	Vellenga	

Those who voted in the negative were:

Abrams	Boo	Dorn	Hartle	Hugoson
Bauerly	Carlson	Erhardt	Hasskamp	Jacobs
Beard	Carruthers	Frerichs	Haukoos	Janezich
Bertram	Clark	Girard	Hausman	Jefferson
Bettermann	Davids	Goodno	Heir	Jennings
Bishop	Dawkins	Gruenes	Henry	Johnson, R.
Blatz	Dempsey	Gutknecht	Hufnagle	Johnson, V.

Kelso	Marsh	Olsen, S.	Rodosovich	Tompkins
Kinkel	McEachern	Olson, E.	Runbeck	Trimble
Knickerbocker	McPherson	Omann	Sarna	Tunheim
Koppendrayner	Milbert	Onnen	Schafer	Valento
Krambeer	Morrison	Orenstein	Schreiber	Vanasek
Krinkie	Munger	Ostrom	Skoglund	Waltman
Krueger	Murphy	Ozment	Smith	Weaver
Leppik	Nelson, K.	Pauly	Sparby	Welker
Limmer	Nelson, S.	Pelowski	Stanis	
Lourey	Newinski	Peterson	Sviggum	
Lynch	O'Connor	Pugh	Swenson	
Macklin	Ogren	Rest	Thompson	

The bill was not passed.

The Speaker resumed the Chair.

S. F. No. 2510 which was temporarily laid over earlier today was again reported to the House.

Schreiber, Simoneau and Valento offered an amendment to S. F. No. 2510.

Olsen, S., requested a division of the Schreiber et al amendment to S. F. No. 2510.

The first portion of the Schreiber et al amendment to S. F. No. 2510 reads as follows:

Page 4, after line 1, insert:

“Sec. 5. Minnesota Statutes 1990, section 473.3993, is amended to read:

473.3993 [LIGHT RAIL TRANSIT FACILITY PLANS; DEFINITIONS.]

Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 473.3994 and 473.3996.

Subd. 2. [PRELIMINARY DESIGN PLAN.] “Preliminary design plan” means a light rail transit plan that identifies:

(1) preliminary plans for the physical design of facilities, including location, length, and termini of routes; general dimension, elevation, alignment, and character of routes and crossings; whether the track is elevated, on the surface, or below ground; approximate station locations; and related park and ride, parking, and other transportation facilities; and a plan for handicapped access; and

(2) preliminary plans for intermodal coordination with bus operations and routes; ridership; capital costs; operating costs and revenues, and sources of funds for operating subsidies; funding for final design, construction, and operation; and an implementation method.

The preliminary design plan includes the preliminary or draft environmental impact statement for the light rail transit facilities proposed.

Subd. 2a. [PRELIMINARY ENGINEERING PLAN.] “Preliminary engineering plan” means a light rail transit plan that includes the items in the preliminary design plan for the facilities proposed for construction, but with greater detail and specificity to satisfy final environmental impact statement requirements.

Subd. 3. [FINAL DESIGN PLAN.] “Final design plan” means a light rail transit plan that includes the items in the preliminary design plan and the preliminary engineering plan for the facilities proposed for construction, but with greater detail and specificity needed for construction. The final design plan must include, at a minimum:

(1) final plans for the physical design of facilities, including the right-of-way definition; environmental impacts and mitigation measures; intermodal coordination with bus operations and routes; and civil engineering plans for vehicles, track, stations, parking, and access, including handicapped access; and

(2) final plans for civil engineering for electrification, communication, and other similar facilities; operational rules, procedures, and strategies; capital costs; ridership; operating costs and revenues, and sources of funds for operating subsidies; financing for construction and operation; an implementation method; and other similar matters.

The final design plan must be stated with sufficient particularity and detail to allow the proposer to begin the acquisition and construction of operable facilities. If a turn-key implementation method is proposed, instead of civil engineering plans the final design plan must state detailed design criteria and performance standards for the facilities.”

Page 4, line 15, after the period, insert “The commissioner shall summarize the proceedings and testimony, and maintain the record of a hearing held under this section, including any written statements submitted.”

Page 5, line 27, strike “may recommend amended plans” and

insert "the council shall decide what amendments to the plans, if any, must be made"

Page 5, line 28, after the period, insert "The commissioner and the regional railroad authority shall make the amendments to the plans before continuing the planning and designing process."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the first portion of the Schreiber et al amendment was adopted.

Anderson, I., requested a division of the remaining portion of the Schreiber et al amendment to S. F. No. 2510, as amended.

The first portion of the remaining portion of the Schreiber et al amendment to S. F. No. 2510, as amended, reads as follows:

Page 6, delete section 9

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the first portion of the remaining portion of the Schreiber et al amendment was adopted.

Anderson, I., requested a division of the remaining portion of the Schreiber et al amendment to S. F. No. 2510, as amended.

Anderson, I., requested to vote on the second portion of his division first. The request was granted.

The second portion of the remaining portion of the Schreiber et al amendment to S. F. No. 2510, as amended, reads as follows:

Page 11, line 36, after "473.3991" insert "; 473.3994, subdivision 6"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the second portion of the remaining portion of the Schreiber et al amendment and the roll was called. There were 76 yeas and 54 nays as follows:

Those who voted in the affirmative were:

Abrams	Gutknecht	Krambeer	Orfield	Swenson
Bauerly	Hartle	Krinkie	Pauly	Tompkins
Bettermann	Haukoos	Lasley	Pellow	Uphus
Blatz	Hausman	Leppik	Pelowski	Valento
Bodahl	Heir	Limmer	Reding	Vanasek
Boo	Henry	Lourey	Rukavina	Wagenius
Carruthers	Hufnagle	Lynch	Runbeck	Waltman
Clark	Hugoson	Macklin	Schafer	Weaver
Dille	Jaros	Marsh	Schreiber	Wejcman
Erhardt	Jennings	Morrison	Seaberg	Welker
Frederick	Johnson, A.	Munger	Segal	Welle
Frerichs	Johnson, R.	Murphy	Simoneau	Spk. Long
Garcia	Johnson, V.	Newinski	Skoglund	
Girard	Kahn	Ogren	Smith	
Goodno	Kelso	Olson, E.	Sparby	
Gruenes	Knickerbocker	Omann	Stanisus	

Those who voted in the negative were:

Anderson, I.	Dawkins	Kinkel	O'Connor	Rice
Anderson, R. H.	Dempsey	Koppendrayner	Olsen, S.	Rodosovich
Battaglia	Dorn	Krueger	Olson, K.	Sarna
Beard	Farrell	Lieder	Onnen	Solberg
Begich	Greenfield	Mariani	Orenstein	Steensma
Bertram	Hanson	McEachern	Osthoff	Thompson
Brown	Hasskamp	McGuire	Ostrom	Trimble
Carlson	Jacobs	McPherson	Ozment	Tunheim
Cooper	Janezich	Milbert	Peterson	Wenzel
Dauner	Jefferson	Nelson, K.	Pugh	Winter
Davids	Kalis	Nelson, S.	Rest	

The motion prevailed and the second portion of the remaining portion of the Schreiber et al amendment was adopted.

The first portion of the remaining portion of the Schreiber et al amendment to S. F. No. 2510, as amended, reads as follows:

Page 7, line 30, after the period, insert "If the regional rail authority disapproves a plan, the commissioner may refer the plan, along with the regional rail authority's reasons for disapproval, to the council. The council shall review the plan and the regional rail authority's reasons for disapproval under the process established in subdivision 13."

Page 11, line 4, after "approve" insert "or disapprove"

Page 11, after line 10, insert "If the board disapproves the plan or a part of a plan, the board shall specify its reasons for disapproval. The commissioner may amend the plan or refer the plan, along with the board's reasons for disapproval, to the council. The council shall review the plan and the board's reasons for disapproval under the process established in section 473.3994, subdivision 13."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion did not prevail and the first portion of the remaining portion of the Schreiber et al amendment was not adopted.

Pellow offered an amendment to S. F. No. 2510, as amended.

POINT OF ORDER

Skoglund raised a point of order pursuant to rule 3.09 that the Pellow amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

S. F. No. 2510, A bill for an act relating to transportation; providing procedures for design, approval, and construction of light rail transit; establishing corridor management committee; providing for resolution of disputes; changing membership and responsibilities of the light rail transit joint powers board; amending Minnesota Statutes 1990, sections 174.32, subdivision 2; 473.167, subdivision 1; 473.399, subdivision 1; 473.3994, subdivisions 2, 3, 4, 5, 6, 7, and by adding subdivisions; 473.3996; 473.4051; Minnesota Statutes 1991 Supplement, sections 473.3997; and 473.3998; proposing coding for new law in Minnesota Statutes, chapter 174; repealing Minnesota Statutes 1990, sections 473.399, subdivisions 2 and 3; 473.3991; and Laws 1991, chapter 291, article 4, section 20.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 6 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Abrams	Koppendrayner	Onnen
Knickerbocker	Limmer	Smith

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

Welle moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

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:

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1910, A bill for an act relating to corporations; providing for the formation, organization, operation, taxation, management, and ownership of limited liability companies; prescribing the procedures for filing articles of organization; establishing the powers of a limited liability company; providing for the naming of a limited liability company; providing for the appointment of a resident agent for a limited liability company; establishing the relationship of the members of a limited liability company to each other and to third parties; permitting the merger of one or more limited liability companies with other domestic limited liability companies and domestic and foreign corporations; providing for the dissolution, winding up, and termination of a limited liability company; providing for foreign limited liability companies to do business in this state; defining certain terms; amending Minnesota Statutes 1990, sections 211B.15, subdivision 1; 290.01, by adding a subdivision; 302A.011, subdivision 19; 302A.115, subdivision 1; 302A.121, subdivision 2; 302A.601, by adding a subdivision; 308A.005, subdivision 6; 308A.121, subdivision 1; 317A.011, subdivision 16; 317A.115, subdivision 2; 319A.02, subdivision 5, and by adding a subdivision; 319A.03; 319A.05; 319A.06, subdivision 2; 319A.07; 319A.12, subdivisions 1a and 2; 319A.20; 322A.01; 322A.02; 333.001; 333.18, subdivision 2; 333.20, subdivision 2; and 333.21, subdivision 1; Minnesota Statutes 1991 Supplement, sections 290.06, subdivision 22; 302A.471, subdivision 1; and 500.24, subdivision 3; proposing coding for new law as Minnesota Statutes, chapter 322B.

The Senate has appointed as such committee:

Ms. Reichgott; Messrs. Pogemiller and Belanger.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the

House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 2113, A bill for an act relating to traffic regulations; authorizing the operation of flashing lights and stop arms on school buses transporting persons age 18 and under to and from certain activities; authorizing revolving safety lights on rural mail carrier vehicles; requiring school bus sign on school bus providing such transportation; amending Minnesota Statutes 1991 Supplement, sections 169.441, subdivision 3; 169.443, subdivision 3, and by adding a subdivision; and 169.64, by adding a subdivision.

The Senate has appointed as such committee:

Messrs. Cohen, Solon and Mehrkens.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 2181, A bill for an act relating to data practices; classifying government data; providing for access to and charges for patient's medical records; providing for the treatment of records of certain criminal convictions; altering the procedures of the pardon board and treatment of its records; providing criminal background checks of professional and volunteer child care providers; providing for subpoena powers of county attorneys; changing the time when an arrest warrant may be served; amending Minnesota Statutes 1990, sections 13.08, subdivision 1; 13.46, subdivision 7; 144.335, by adding subdivisions; 147.161, subdivision 3; 152.18, subdivision 1; 242.31; 270B.14, by adding a subdivision; 299C.11; 299C.13; 363.03, subdivision 1; 388.23, subdivision 1; 609.168; 626.14; and 638.02, subdivisions 2 and 4; Minnesota Statutes 1991 Supplement, sections 13.46, subdivision 2; 144.0525; 144.335, subdivisions 1 and 3a; 609.535, subdivision 6; 638.02, subdivision 3; 638.04; 638.05; and 638.06; proposing coding for new law in Minnesota Statutes, chapters 13; 144; 299C; 357; and 638; proposing coding for new law as Minnesota Statutes, chapter 13C.

The Senate has appointed as such committee:

Ms. Ranum; Messrs. Neuville and Merriam.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

S. F. No. 2499, A bill for an act relating to natural resources; authorizing the establishment of the Mille Lacs preservation and development board; proposing coding for new law in Minnesota Statutes, chapter 103F.

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

Messrs. Davis, Solon and Chmielewski.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Munger moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 2499. The motion prevailed.

Madam Speaker:

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

S. F. No. 2194, A bill for an act relating to governmental operations; authorizing two additional deputies in the state auditor's office; setting conditions for certain state laws; regulating payments; fixing local accounting procedures; prohibiting the use of pictures of elected officials for certain local government purposes; providing for investments and uses of public facilities; requiring that airline travel credit accrue to the issuing body; amending Minnesota Statutes 1990, sections 6.02; 11A.24, subdivision 6; 13.76, by adding a subdivision; 15A.082, by adding a subdivision; 367.36, subdivision 1; 412.222; 471.49, by adding a subdivision; 471.66; 471.68, by adding a subdivision; 471.696; 471.697; 477A.017, subdivision 2; and 609.415, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 279; and 609; repealing Minnesota Statutes 1991 Supplement, section 128B.10, subdivision 2.

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

Ms. Reichgott; Messrs. Waldorf and Frederickson, D. R.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Pugh moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 2194. The motion prevailed.

Madam Speaker:

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

S. F. No. 2111, A bill for an act relating to living wills; adding certain information to the suggested health care declaration form; amending Minnesota Statutes 1990, section 145B.04.

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

Messrs. Solon and Knaak and Ms. Reichgott.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Bishop moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 2111. The motion prevailed.

Madam 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. 2884, A bill for an act relating to bond allocation; changing procedures for allocating bonding authority; amending Minnesota Statutes 1991 Supplement, sections 462A.073, subdivision 1; 474A.03, subdivision 4; 474A.04, subdivision 1a; 474A.061, subdivisions 1 and 3; and 474A.091, subdivisions 2 and 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

Rest moved that the House refuse to concur in the Senate amendments to H. F. No. 2884, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

S. F. Nos. 2144, 2376, 2418, 738, 1615 and 2432.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 2144, A bill for an act relating to metropolitan government; authorizing the acquisition and betterment of transit facilities and equipment and providing financing for their cost; stating the intent of the legislature; requiring a report; amending Minnesota Statutes 1990, section 473.39.

The bill was read for the first time.

Simoneau moved that S. F. No. 2144 and H. F. No. 2191, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2376, A bill for an act relating to game and fish; management of aquatic vegetation and ginseng; rules for stamp design contests; deer license fees for residents under age 16 and for licenses to take a second deer; use of live ammunition in dog training; red or blaze orange hunting clothing; nonresident rough fish taking; raccoon seasons; dark house and fish house licenses on certain boundary waters; and muskie size limits; providing for agricultural crop protection assistance; authorizing advance of matching funds; appropriating money; amending Minnesota Statutes 1990, sections 84.091, subdivisions 1 and 3; 97A.045, subdivi-

sion 7; 97A.441, by adding a subdivision; 97B.005, subdivisions 2 and 3; 97B.071; 97B.301, subdivision 4; 97B.621, subdivision 1; 97C.355, subdivision 2; 97C.375; and 97C.405; Minnesota Statutes 1991 Supplement, sections 84.085, by adding a subdivision; 84.091, subdivision 2; and 97A.475, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 97A.

The bill was read for the first time.

Reding moved that S. F. No. 2376 and H. F. No. 2544, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2418, A bill for an act relating to retirement; St. Paul police relief association; validating a change in the date on which personal and benefit payments are made.

The bill was read for the first time.

O'Connor moved that S. F. No. 2418 and H. F. No. 2226, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 738, A bill for an act relating to public safety; requiring registration and payment of an annual fee to transport hazardous materials; authorizing the commissioner of transportation to adopt rules; requiring the commissioner of public safety to implement a state hazardous materials incident response plan; appropriating money; amending Minnesota Statutes 1991 Supplement, section 115E.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 221; 299A; and 299K.

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

S. F. No. 1615, A bill for an act relating to game and fish; reducing deer license fees for residents under age 16 and for licenses to take a second deer; amending Minnesota Statutes 1990, section 97B.301, subdivision 4; Minnesota Statutes 1991 Supplement, section 97A.475, subdivision 2.

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

S. F. No. 2432, A bill for an act relating to agriculture; regulating aquatic farming; protecting certain wildlife populations; amending Minnesota Statutes 1990, sections 97C.203; 97C.301, by adding a

subdivision; 97C.345, subdivision 4; 97C.391; and 97C.505, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 1990, sections 97A.475, subdivision 29a; and 97C.209.

The bill was read for the first time.

Sparby moved that S. F. No. 2432 and H. F. No. 2855, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

SPECIAL ORDERS

There being no objection, H. F. No. 1453 which was continued earlier today was again reported to the House.

Lasley moved to amend H. F. No. 1453, the second engrossment, as follows:

Page 8, line 12, delete "and" and insert a comma

Page 8, line 13, after "impact" insert ", and scenic and wild river standards"

The motion prevailed and the amendment was adopted.

Jennings moved to amend H. F. No. 1453, the second engrossment, as amended, as follows:

Page 7, after line 9, insert:

"Sec. 2. Minnesota Statutes 1990, section 115.20, subdivision 1, is amended to read:

Subdivision 1. A proceeding for the creation of a district may be initiated by a petition to the agency, filed with its secretary, containing the following:

- (1) A request for creation of the proposed district;
- (2) The name proposed for the district, to include the words "sanitary district";
- (3) A description of the territory of the proposed district;

(4) A statement showing the existence in such territory of the conditions requisite for creation of a district as prescribed in section 115.19;

(5) A statement of the territorial units represented by and the qualifications of the respective signers;

(6) The post office address of each signer, given under the signer's signature. A petition may consist of separate writings of like effect, each signed by one or more qualified persons, and all such writings, when filed, shall be considered together as a single petition.

The district also shall submit to the agency a record of a public information meeting held to inform residents of the district to be created. The public meeting shall inform the citizens of information pertaining to the formation of the district and include, but not be limited to, proposed ordinances, district structure, bylaws, description of territory, budget and associated charges. Notice of the public meeting shall be published for two successive weeks in a qualified newspaper published within the territory, or if there is no newspaper, by publication in a qualified newspaper of general circulation in the territory, and by posting for two weeks in each territorial unit of the proposed district.

Sec. 3. Minnesota Statutes 1990, section 115.20, subdivision 3, is amended to read:

Subd. 3. The agency or its agent holding the hearing on a petition may, at any time before the reception of evidence begins, permit the addition of signatures to the petition or may permit amendment of the petition. At any time prior to issuance of the public notice regarding the formation of the sanitary district, or prior to the hearing, if required, additional signatures may be added to the petition, or amendments of the petition may be made to correct or remedy any error or defect in signature or otherwise except a material error or defect in the description of the territory of the proposed district. No proceeding shall be invalidated on account of any error or defect in the petition unless questioned by an interested party before the reception of evidence begins at the hearing except a material error or defect in the description of the territory of the proposed district. If the qualifications of any signer of a petition are challenged at the hearing thereon, the agency or its agent holding the hearing shall determine the challenge forthwith on the allegations of the petition, the county auditor's certificate of land ownership, and such other evidence as may be received.

Sec. 4. Minnesota Statutes 1990, section 115.20, subdivision 4, is amended to read:

Subd. 4. Upon receipt of a petition and a record of the public meeting, the agency shall cause a hearing to be held thereon, subject

to the provisions of sections 14.02, 14.04 to 14.36, 14.38, 14.44 to 14.45, and 14.57 to 14.62 and other laws not inconsistent therewith now or hereafter in force relating to hearings held under authority of the agency, so far as applicable, except as otherwise provided. Notice of the hearing, stating that a petition for creation of the proposed district has been filed and describing the territory thereof, shall be given by the secretary of the agency by publication for two successive weeks in a qualified newspaper published within such territory, or, if there is no such newspaper, by publication in a qualified newspaper of general circulation in such territory, also by posting for two weeks in each territorial unit of the proposed district, and by mailing a copy of the notice to each signer of the petition at the signer's address as given therein. Registration of mailed copies of the notice shall not be required. Proof of the giving of the notice shall be filed in the office of the secretary. publish a notice in the State Register and mail a copy to each property owner in the affected territory at the owner's address as given by the county auditor. The mailed copy must state the date that the notice will appear in the State Register. Copies need not be sent by registered mail. The notice must:

- (1) describe the petition for creation of the district;
- (2) describe the territory affected by the petition;
- (3) invite written comments on the petition for consideration by the agency;
- (4) state that a person who objects to the petition may submit a written request for hearing to the agency within 30 days of the publication of the notice in the State Register; and
- (5) state that if a timely request for hearing is not received, the agency may make a decision on the petition at a future meeting of the agency.

If 25 or more timely requests for hearing are received, the agency must hold a hearing on the petition in accordance with the contested case provisions of chapter 14.

Sec. 5. Minnesota Statutes 1990, section 115.20, subdivision 5, is amended to read:

Subd. 5. After the public notice period and hearing, if required by subdivision 4, and upon the evidence received thereat, the agency shall make findings of fact and conclusions determining whether or not the conditions requisite for the creation of a district exist in the territory described in the petition. If the agency finds that such conditions exist, it may make an order creating a district for the territory described in the petition under the name proposed in the

petition or such other name, including the words "sanitary district," as the agency deems appropriate.

Sec. 6. Minnesota Statutes 1990, section 115.20, subdivision 6, is amended to read:

Subd. 6. If the agency, after the conclusion of a public notice period, or the holding of a hearing, if required, determines that the creation of a district in the territory described in the petition is not warranted, it shall make an order denying the petition. The secretary of the agency shall give notice of such denial by mail to each signer of the petition. No petition for the creation of a district consisting of the same territory shall be entertained within a year after the date of such an order, but this shall not preclude action on a petition for the creation of a district embracing part of such the territory with or without other territory."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 1453, A bill for an act relating to wastewater treatment funding; requiring governmental subdivisions to evaluate annually their wastewater disposal system needs; establishing a program of supplemental financial assistance for the construction of municipal wastewater disposal systems; requiring a metropolitan disposal system rate structure study; regulating the fully developed area study; amending Minnesota Statutes 1990, sections 115.03, subdivision 1; 115.20, subdivisions 1, 3, 4, 5, and 6; Laws 1991, chapter 183, section 1; proposing coding for new law in Minnesota Statutes, chapters 116; and 446A.

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

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

Those who voted in the affirmative were:

Abrams	Beard	Blatz	Carruthers	Dawkins
Anderson, I.	Begich	Bodahl	Clark	Dempsey
Anderson, R. H.	Bertram	Boo	Cooper	Dille
Battaglia	Bettermann	Brown	Dauner	Dorn
Bauerly	Bishop	Carlson	Davids	Erhardt

Farrell	Jennings	McEachern	Pauly	Steensma
Frederick	Johnson, A.	McGuire	Pellow	Sviggum
Frerichs	Johnson, R.	McPherson	Pelowski	Swenson
Garcia	Johnson, V.	Milbert	Peterson	Thompson
Girard	Kahn	Morrison	Pugh	Tompkins
Goodno	Kalis	Munger	Reding	Trimble
Greenfield	Kelso	Murphy	Rest	Tunheim
Gruenes	Kinkel	Nelson, K.	Rice	Uphus
Gutknecht	Knickerbocker	Nelson, S.	Rodosovich	Valento
Hanson	Koppendrayer	Newinski	Rukavina	Vanasek
Hartle	Krambeer	O'Connor	Runbeck	Vellenga
Hasskamp	Krinkie	Ogren	Sarna	Wagenius
Haukoos	Krueger	Olsen, S.	Schafer	Waltman
Hausman	Lasley	Olson, E.	Schreiber	Weaver
Heir	Leppik	Olson, K.	Seaberg	Wejzman
Henry	Lieder	Omann	Segal	Welker
Hufnagle	Limmer	Onnen	Simoneau	Welle
Hugoson	Lourey	Orenstein	Skoglund	Wenzel
Jacobs	Lynch	Orfield	Smith	Winter
Janezich	Macklin	Osthoff	Solberg	Spk. Long
Jaros	Mariani	Ostrom	Sparby	
Jefferson	Marsh	Ozment	Stanisus	

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

S. F. No. 1787 was reported to the House.

Dauids moved that S. F. No. 1787 be temporarily laid over on Special Orders. The motion prevailed.

S. F. No. 1319, A bill for an act relating to the practice of law; allowing the sole shareholder of a corporation to appear on behalf of the corporation in court; amending Minnesota Statutes 1991 Supplement, section 481.02, 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	Henry	Kelso
Anderson, I.	Carlson	Frerichs	Hufnagle	Kinkel
Anderson, R. H.	Carruthers	Garcia	Hugoson	Knickerbocker
Battaglia	Clark	Girard	Jacobs	Koppendrayer
Bauerly	Cooper	Goodno	Janezich	Krambeer
Beard	Dauner	Gruenes	Jaros	Krinkie
Begich	Dauids	Gutknecht	Jefferson	Krueger
Bertram	Dawkins	Hanson	Jennings	Lasley
Bettermann	Dempsey	Hartle	Johnson, A.	Leppik
Bishop	Dille	Hasskamp	Johnson, R.	Lieder
Blatz	Dorn	Haukoos	Johnson, V.	Limmer
Bodahl	Erhardt	Hausman	Kahn	Lourey
Boo	Farrell	Heir	Kalis	Lynch

Macklin	Olsen, S.	Pugh	Skoglund	Valento
Mariani	Olson, E.	Reding	Smith	Vanasek
Marsh	Olson, K.	Rest	Solberg	Vellenga
McEachern	Omann	Rice	Sparby	Wagenius
McGuire	Onnen	Rodosovich	Stanisus	Waltman
McPherson	Orenstein	Rukavina	Steensma	Weaver
Milbert	Orfield	Runbeck	Sviggum	Wejzman
Morrison	Osthoﬀ	Sarna	Swenson	Welker
Munger	Ostrom	Schafer	Thompson	Welle
Murphy	Ozment	Schreiber	Tompkins	Wenzel
Nelson, S.	Pauly	Seaberg	Trimble	Winter
Newinski	Pellow	Segal	Tunheim	Spk. Long
O'Connor	Peterson	Simoneau	Uphus	

The bill was passed and its title agreed to.

The Speaker called Krueger to the Chair.

S. F. No. 1854, A bill for an act relating to appropriations; clarifying the purposes for which a certain appropriation may be spent at Worthington community college.

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

The bill was passed and its title agreed to.

H. F. No. 1895 was reported to the House.

Bauerly moved that H. F. No. 1895 be continued on Special Orders. The motion prevailed.

H. F. No. 2649 was reported to the House.

Pugh moved to amend H. F. No. 2649, the first engrossment, as follows:

Page 1, line 9, after "executed" insert "on or"

Page 1, line 11, delete "to" and insert "for voluntary"

Page 1, line 13, delete "that is not" and insert "no part of which is"

Page 2, line 5, after "holders" insert ", whether one or more,"

Page 2, line 14, after "agreement" delete "to" and insert "for voluntary"

Page 2, line 14, after "section" insert "only after default under the mortgage"

Page 2, line 15, after "shall" insert "identify the mortgage and the real estate by legal description, specify the date of the agreement and"

Page 2, line 24, delete "process"

Page 2, line 29, delete "shall consent" and insert "consents"

Page 2, line 30, delete "grant" and insert "grants"

Page 2, line 35, delete "under this section,"

Page 3, line 1, delete everything after "located"

Page 3, delete lines 2, 3, and line 4 before the period

Page 3, line 11, delete ": This"

Page 3, line 12, delete "certificate is" and insert ", and shall be"

Page 3, line 13, delete everything after "certificate"

Page 3, delete line 14 before the period

Page 3, line 33, delete "Within seven" and insert "At least 14" and delete "after" and insert "before"

Page 3, line 34, delete "agreement" and insert "sale"

Page 3, line 36, after "foreclosure" insert "sale"

Page 4, line 2, after the semicolon, insert "and"

Page 4, line 4, after "foreclosure" insert "sale"

Page 4, line 5, after the second "estate" delete "as"

Page 4, line 6, delete "of the date of agreement,"

Page 4, line 7, delete "and" and insert a period

Page 4, line 8, delete "(3)" and insert "The mortgagee shall"

Page 4, line 8, after "foreclosure" insert "sale"

Page 4, line 12, delete "(5)" and insert "(6)"

Page 4, line 13, after "and" insert "shall state"

Page 4, line 13, after "each" insert "holder of a"

Page 4, line 13, delete "creditor" and insert "lien"

Page 4, line 21, delete "and"

Page 4, line 22, delete "to evidence the same" and insert "and other affidavits or certificates permitted by chapter 580,"

Page 4, line 23, after "sale" insert "or within five days after the sale,"

Page 4, line 25, after "affidavits" insert "and certificates"

Page 4, line 25, after "in" insert "them."

Page 4, delete lines 26 and 27

Page 4, line 28, delete "The" and insert "Except as provided in this section, the"

Page 4, line 30, after "in" delete the balance of the line, and insert "chapter 580. The certificate of sale must be filed or recorded within five days after the sale."

Page 4, delete line 31

Page 5, line 21, delete "its lien"

The motion prevailed and the amendment was adopted.

H. F. No. 2649, A bill for an act relating to real estate foreclosures; establishing a voluntary foreclosure process with waiver of deficiency claims and equity; proposing coding for new law in Minnesota Statutes, chapter 582.

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

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

S. F. No. 1787 which was temporarily laid over earlier today was again reported to the House.

Simoneau, Osthoff and McPherson moved to amend S. F. No. 1787, as follows:

Page 4, after line 27, insert:

"Sec. 4. [PRIVATE SALE OF STATE LAND; WASHINGTON COUNTY.]

Notwithstanding the public sale provisions of Minnesota Statutes, sections 94.09 to 94.16 or any other law to the contrary, the commissioner of natural resources may sell land in Washington county described in this section by private sale to the purchaser. The conveyance shall be in a form approved by the attorney general. The consideration received for the conveyance shall be the market value of the land of \$1,160,000 as established by a state appraisal certified by the commissioner on January 27, 1992, plus an additional 18 percent of an amount equal to the market value less any environmental cleanup funds provided by the purchaser prior to the conveyance, as described in section 5. The consideration and 18 percent additional payment shall be deposited in the state treasury and credited to the wildlife land acquisition account. The basic purchase consideration is appropriated to the commissioner for acquisition of replacement wildlife management area lands in Anoka, Carver, Dakota, Hennepin, Scott, or Washington counties. The 18 percent additional payment is appropriated to the commissioner to cover the commissioner's professional service costs to acquire the replacement lands and the cost of appraisals for the state lands sold to the purchaser. The commissioner shall return any portion of the 18 percent additional payment remaining after acquisition of replacement lands to the purchaser.

The land that may be sold is in the Bayport state wildlife management area and is described as follows:

All that part of Sections 10 and 15, in Township 29 North, Range 20 West, described as follows: Commencing at the southeast corner of said Section 10; thence west along the south line of said Section 10 a distance of 270 feet to the point of beginning; thence north parallel with and 270 feet westerly from the east line of said Section 10 a distance of 1,296 feet; thence west a distance of 360 feet; thence north parallel with the east line of said Section 10 a distance of 740 feet; thence west 160 feet; thence north parallel with the east line of said Section 10 a distance of 580 feet; thence west 140 feet; thence north along the west line and the same extended southerly of Block 80, in South Stillwater, (Bayport), according to the recorded plat thereof in the office of the County Recorder for

Washington county, 360 feet to the northwest corner of said Block 80; thence west on a continuation of the north line of said Block 80 a distance of 185 feet; thence south and parallel with the west line of Block 81 of said South Stillwater (Bayport) 100 feet; thence west and parallel with the north line of said Block 81 to the west line of said Block 81 a distance of 175 feet; thence north along the west line of said Block 81 to the northwest corner of said Block 81 a distance of 100 feet; thence west on a continuation of the north line of said Block 81 a distance of 30 feet to the west line of the Southeast Quarter of the Northeast Quarter of said Section 10; thence north along said west line of the Southeast Quarter of the Northeast Quarter to the south line of the North 900 feet of the Southwest Quarter of the Northeast Quarter of said Section 10; thence west along the south line of the North 900 feet of the Southwest Quarter of the Northeast Quarter of said Section 10 to the west line of the Southwest Quarter of the Northeast Quarter of said Section 10; thence north along said west line to the north line of the South 30 acres of the Southeast Quarter of the Northwest Quarter of said Section 10; thence West along the north line of the South 30 acres of the Southeast Quarter of the Northwest Quarter of said Section 10 to the Northwest corner of the South 30 acres of the Southeast Quarter of the Northwest Quarter of said section; thence south along the west line of the Southeast Quarter of the Northwest Quarter of said Section 10 to the center line of the Stillwater and Point Douglas Road (aka County State Aid Highway 21); thence southeasterly along said center line of said Stillwater and Point Douglas Road (aka County State Aid Highway 21) to a point on a line drawn parallel and 11 chains and 92 links southerly from the north line of said Section 15; thence east parallel with the north line of the Northwest Quarter of said Section 15 to the west line of the Northwest Quarter of the Northeast Quarter of said Section 15; thence east parallel with the north line of the Northwest Quarter of the Northeast Quarter of said Section 15 a distance of 202.76 feet; thence north parallel with the west line of said Northwest Quarter of the Northeast Quarter to the south line of said Section 10; thence east along said south line to the point of beginning. Excepting from the land within the above described boundaries, the right-of-way of the Chicago and North Western Railway across said parts of Sections 10 and 15. And also all that part of the Southwest Quarter of the Northwest Quarter of Section 10, Township 29 North, Range 20 West, lying east of Stillwater and Point Douglas Road (aka County State Aid Highway 21), excepting that part thereof heretofore deeded by Frank L. Barrett and wife to John Zabel, by deed dated 9th day of December, 1893, and recorded 16th day of December, 1893, in the office of the County Recorder for said Washington county, in Book 40 of Deeds, Page 133. Said lands containing 244.81 acres, more or less.

The commissioner may reserve to the state an easement across the

above described property for ingress and egress to lands to be retained by the commissioner in Section 15, Township 29 North, Range 20 West.

Sec. 5. [ENVIRONMENTAL CLEANUP COSTS.]

The commissioner of natural resources may accept, prior to the conveyance, funds from the purchaser for the commissioner to conduct an environmental cleanup of a former disposal site on the land described in section 4. The funds shall be deposited in the state treasury and are appropriated to the commissioner of natural resources for purposes of the environmental cleanup. The amount of funds provided by the purchaser and expended by the commissioner to accomplish the cleanup, up to a maximum of \$600,000, shall be deducted from the consideration to be paid by the purchaser.

Sec. 6. [MARGINAL LANDS.]

Notwithstanding Minnesota Statutes, section 103F.535, the commissioner of natural resources shall not be required to include in the determination and delineation of marginal lands to be reserved and restricted by a conservation easement any marginal lands located on the parcel described in section 4 which the board of water and soil resources determines may be altered after the conveyance without adversely affecting the public interests and general welfare. This provision shall apply only to those marginal lands for which a written alteration plan has been approved by the board prior to the conveyance. The deed to the purchaser must contain a restrictive covenant providing that no alteration of marginal lands shall be permitted except in accordance with the approved plan. Alteration of any wetlands on the parcel is not authorized by this section."

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 7 after the semicolon, insert "authorizing a private sale of lands in Washington county; prescribing conditions;"

The motion prevailed and the amendment was adopted.

S. F. No. 1787, A bill for an act relating to state lands; changing provisions relating to withdrawal of certain lands from sale or exchange; authorizing the sale of surplus land bordering public waters for public use; authorizing public sale of certain tax-forfeited lands that border public water in Fillmore county; amending Min-

nesota Statutes 1991 Supplement, section 103F.535, subdivision 1; repealing Minnesota Statutes 1990, section 103F.535, subdivisions 2 and 3.

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

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

Those who voted in the affirmative were:

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

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

There being no objection, S. F. No. 1691 which was continued earlier today was again reported to the House.

Pugh moved to amend S. F. No. 1691, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1991 Supplement, section 481.02, subdivision 3, is amended to read:

Subd. 3. [PERMITTED ACTIONS.] The provisions of this section shall not prohibit:

(1) any person from drawing, without charge, any document to which the person, an employer of the person, a firm of which the person is a member, or a corporation whose officer or employee the person is, is a party, except another's will or testamentary disposition or instrument of trust serving purposes similar to those of a will;

(2) a person from drawing a will for another in an emergency if the imminence of death leaves insufficient time to have it drawn and its execution supervised by a licensed attorney-at-law;

(3) any insurance company from causing to be defended, or from offering to cause to be defended through lawyers of its selection, the insureds in policies issued or to be issued by it, in accordance with the terms of the policies;

(4) a licensed attorney-at-law from acting for several common-carrier corporations or any of its subsidiaries pursuant to arrangement between the corporations;

(5) any bona fide labor organization from giving legal advice to its members in matters arising out of their employment;

(6) any person from conferring or cooperating with a licensed attorney-at-law of another in preparing any legal document, if the attorney is not, directly or indirectly, in the employ of the person or of any person, firm, or corporation represented by the person;

(7) any licensed attorney-at-law of Minnesota, who is an officer or employee of a corporation, from drawing, for or without compensation, any document to which the corporation is a party or in which it is interested personally or in a representative capacity, except wills or testamentary dispositions or instruments of trust serving purposes similar to those of a will, but any charge made for the legal work connected with preparing and drawing the document shall not exceed the amount paid to and received and retained by the attorney, and the attorney shall not, directly or indirectly, rebate the fee to or divide the fee with the corporation;

(8) any person or corporation from drawing, for or without a fee, farm or house leases, notes, mortgages, chattel mortgages, bills of sale, deeds, assignments, satisfactions, or any other conveyances except testamentary dispositions and instruments of trust;

(9) a licensed attorney-at-law of Minnesota from rendering to a corporation legal services to itself at the expense of one or more of its bona fide principal stockholders by whom the attorney is employed and by whom no compensation is, directly or indirectly, received for the services;

(10) any person or corporation engaged in the business of making collections from engaging or turning over to an attorney-at-law for the purpose of instituting and conducting suit or making proof of claim of a creditor in any case in which the attorney-at-law receives the entire compensation for the work;

(11) any regularly established farm journal or newspaper, devoted to general news, from publishing a department of legal questions and answers to them, made by a licensed attorney-at-law, if no answer is accompanied or at any time preceded or followed by any charge for it, any disclosure of any name of the maker of any answer, any recommendation of or reference to any one to furnish legal advice or services, or by any legal advice or service for the periodical or any one connected with it or suggested by it, directly or indirectly;

(12) any authorized management agent of an owner of rental property used for residential purposes, whether the management agent is a natural person, corporation, partnership, limited partnership, or any other business entity, from commencing, maintaining, conducting, or defending in its own behalf any action in any court in this state to recover or retain possession of the property, except that the provision of this clause does not authorize a person who is not a licensed attorney-at-law to conduct a jury trial or to appear before a district court or the court of appeals or supreme court pursuant to an appeal;

(13) any person from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any court of this state pursuant to the provisions of section 566.175 or sections 566.18 to 566.33 or from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any court of this state for the recovery of rental property used for residential purposes pursuant to the provisions of section 566.02 or 566.03, subdivision 1, except that the provision of this clause does not authorize a person who is not a licensed attorney-at-law to conduct a jury trial or to appear before a district court or the court of appeals or supreme court pursuant to an appeal, and provided that, except for a nonprofit corporation, a person who is not a licensed attorney-at-law shall not charge or collect a separate fee for services rendered pursuant to this clause; or

(14) the delivery of legal services by a specialized legal assistant in accordance with a specialty license issued by the supreme court before July 1, 1995; or

(15) an officer, shareholder, director, partner, or employee from appearing on behalf of a corporation, partnership, sole proprietorship, or association in conciliation court in accordance with section 8 or in district court in an action that was removed from conciliation court.

Sec. 2. Minnesota Statutes 1990, section 487.30, subdivision 1, is amended to read:

Subdivision 1. [JURISDICTION; GENERAL.] (a) ~~Except as provided in paragraph (b),~~ The conciliation court shall hear and determine civil claims if the amount of money or property which is the subject matter of the claim does not exceed ~~\$4,000~~ \$5,000 for the determination thereof without jury trial and by a simple and informal procedure. The rules of the supreme court shall provide for a right of appeal from the decision of the conciliation court to the ~~county~~ district court for a trial on the merits. Except as otherwise provided in this section, the territorial jurisdiction of a conciliation court shall be coextensive with the county in which the court is established.

(b) ~~If the claim involves a consumer credit transaction, the amount of money or property that is the subject matter of the claim may not exceed \$2,500. "Consumer credit transaction" means a sale of personal property, or a loan arranged to facilitate the purchase of personal property, in which:~~

~~(1) credit is granted by a seller or a lender who regularly engages as a seller or lender in credit transactions of the same kind;~~

~~(2) the buyer is a natural person;~~

~~(3) the claimant is the seller or lender in the transaction; and~~

~~(4) the personal property is purchased primarily for a personal, family, or household purpose and not for a commercial, agricultural, or business purpose. The summons in an action under subdivisions 3a to 4 may be served anywhere within the state.~~

(b) If the controversy concerns the ownership or possession of personal property the value of which does not exceed \$5,000, the court may determine the ownership and possession of the property and order any party to deliver the property to another party. The order is enforceable by the sheriff of the county in which the property is located without further legal process.

Sec. 3. Minnesota Statutes 1990, section 487.30, subdivision 3a, is amended to read:

Subd. 3a. [JURISDICTION; STUDENT LOANS.] ~~Notwithstanding the provisions of subdivision 1 or any rule of court to the contrary,~~ The conciliation court also has jurisdiction to determine a civil action commenced by a plaintiff educational institution, including but not limited to, a state university or community college, with administrative offices in the county in which the conciliation court is located, to recover the amount of a student loan or loans even though

the defendant or defendants are not residents of the county under the following conditions:

(a) the student loan or loans were originally awarded in the county in which the conciliation court is located;

(b) the loan or loans are overdue at the time the action is commenced;

(c) the amount sought in any single action does not exceed \$4,000;

(d) notice that payment on the loan is overdue has previously been sent by first class mail to the borrower to the last known address reported by the borrower to the educational institution; and

(e) (c) the notice states that the educational institution may commence a conciliation court action in the county where the loan was awarded to recover the amount of the loan.

~~Notwithstanding any law or rule or civil procedure to the contrary, a summons in any action commenced under this subdivision may be served anywhere within the state of Minnesota. The conciliation court administrator shall attach a copy of the overdue loan or loans to the summons before it is issued.~~

Sec. 4. Minnesota Statutes 1990, section 487.30, is amended by adding a subdivision to read:

Subd. 3b. [JURISDICTION; FOREIGN DEFENDANTS.] (a) A conciliation court action may be commenced against a foreign corporation doing business in this state in the county where the corporation's registered agent is located; in the county where the cause of action arises, if the corporation has a place of business in that county; or, if the corporation does not appoint or maintain a registered agent in this state, in the county in which the plaintiff resides.

(b) In the case of a nonresident other than a foreign corporation, if this state has jurisdiction under section 543.19, a conciliation court action may be commenced against the nonresident in the county in which the plaintiff resides.

Sec. 5. Minnesota Statutes 1990, section 487.30, is amended by adding a subdivision to read:

Subd. 3c. [JURISDICTION; MULTIPLE DEFENDANTS.] A conciliation court action may be commenced by a plaintiff against two or more defendants in the county in which one or more of the defendants resides. Counterclaims may be commenced in the county where the original action was commenced.

Sec. 6. Minnesota Statutes 1990, section 487.30, is amended by adding a subdivision to read:

Subd. 3d. [JURISDICTION; CERTAIN CLAIMS ARISING OUT OF RENTAL PROPERTY.] An action under section 504.20 for the recovery of a deposit on rental property, or an action under section 504.245, 504.255, or 504.26, also may be brought in the county in which the rental property is located.

Sec. 7. Minnesota Statutes 1990, section 487.30, subdivision 4, is amended to read:

Subd. 4. [JURISDICTION; DISHONORED CHECKS.] The conciliation court also has jurisdiction to determine a civil action commenced by a plaintiff, resident of the county, to recover the amount of a dishonored check issued in the county, even though the defendant or defendants are not residents of the county, if the notice of nonpayment or dishonor described in section 609.535, subdivision 3, is sent to the maker or drawer as specified therein and the notice states that the payee or holder of the check may commence a conciliation court action in the county where the dishonored check was issued to recover the amount of the check. This subdivision does not apply to a check that has been dishonored by a stop payment order. Notwithstanding any law or rule of civil procedure to the contrary, the summons in any action commenced under this subdivision may be served anywhere within the state of Minnesota. The court administrator of conciliation court shall attach a copy of the dishonored check to the summons before it is issued.

Sec. 8. Minnesota Statutes 1990, section 487.30, is amended by adding a subdivision to read:

Subd. 4a. [ATTORNEYS; REPRESENTATION.] A corporation, partnership, sole proprietorship, or association may be represented by an officer or partner who is not an attorney or may appoint an employee who is not an attorney to appear on its behalf or settle a claim in conciliation court. If all the partners or shareholders of a partnership, association, or corporation are attorneys, an officer, partner, or employee who is an attorney may represent the partnership, association, or corporation. In the case of an employee, an authorized power of attorney or other evidence of authority acceptable to the court must be filed with the claim or presented at the hearing.

Sec. 9. Minnesota Statutes 1990, section 487.30, subdivision 7, is amended to read:

Subd. 7. [NOTICE OF COSTS ON REMOVAL.] A notice of order for judgment shall contain a statement that if the cause is removed to ~~county~~ district court, the court may, ~~in its discretion~~, allow the prevailing party to recover from the aggrieved party an amount not

to exceed \$50 as costs if the prevailing party on appeal is not the aggrieved party in the original action. The notice must also contain a statement that if the removing party does not prevail, the opposing party will be awarded costs as provided under subdivision 8, and must include the actual dollar amount of costs applicable to the case.

Sec. 10. Minnesota Statutes 1990, section 487.30, subdivision 8, is amended to read:

Subd. 8. [COSTS AND DISBURSEMENTS ON REMOVAL.] (a) For the purpose of this subdivision, "removing party" means the party who demands removal to district court or the first party who serves or files a demand for removal, if another party also demands removal. "Opposing party" means any party as to whom the removing party seeks a reversal in whole or in part.

(b) If the removing party prevails in district court, the removing party may recover costs from the opposing party as provided by rules of the supreme court. If the removing party does not prevail, the court shall award the opposing party an additional ~~\$200~~ amount as costs equal to five percent of the conciliation court jurisdictional limit applicable to the original claim.

(c) The removing party prevails in district court if:

(1) the removing party recovers at least \$500 or 50 percent of the amount or value of property that the removing party requested on removal, whichever is less, when the removing party was denied any recovery in conciliation court;

(2) the opposing party does not recover any amount or any property from the removing party in district court when the opposing party recovered some amount or some property in conciliation court;

(3) the removing party recovers an amount or value of property in district court that exceeds the amount or value of property that the removing party recovered in conciliation court by at least \$500 or 50 percent, whichever is less; or

(4) the amount or value of property that the opposing party recovers from the removing party in district court is reduced from the amount or value of property that the opposing party recovered in conciliation court by at least \$500 or 50 percent, whichever is less.

(d) Costs or disbursements in conciliation or district court shall not be considered in determining whether there was a recovery by either party in either court or in determining the difference in recovery under this subdivision.

Sec. 11. Minnesota Statutes 1990, section 487.30, is amended by adding a subdivision to read:

Subd. 10. [JUDGMENT DEBTOR DISCLOSURE.] If a cause is removed to county court, judgment is entered by the county court and has been docketed for at least 30 days, the judgment is not satisfied, and the parties have not otherwise agreed, the county court shall, upon request of the judgment creditor, order the judgment debtor to mail to the judgment creditor the information on the judgment debtor's assets, liabilities, and personal earnings specified in subdivision 5 on the form provided by that subdivision. The remedies provided for a violation of subdivision 5 apply to a violation of this subdivision.

Sec. 12. Minnesota Statutes 1990, section 488A.12, subdivision 3, is amended to read:

Subd. 3. [JURISDICTION.] (a) Excepting actions involving title to real estate, the court has jurisdiction to hear, conciliate, try, and determine civil actions at law where the amount in controversy does not exceed the sum of \$4,000, except that if the action involves a consumer credit transaction, the amount in controversy may not exceed \$2,000. "Consumer credit transaction" has the meaning given in section 487.30, subdivision 1. The territorial jurisdiction of the court is coextensive with the geographic boundaries of the county of Hennepin.

(b) Notwithstanding the provisions of paragraph (a), or any rule of court to the contrary, the conciliation court of Hennepin county has jurisdiction to determine an action brought pursuant to section 504.20 for the recovery of a deposit on rental property located in whole or in part in Hennepin county, and the summons in the action may be served anywhere within the state of Minnesota.

(c) Notwithstanding the provisions of paragraph (a), or any rule of court to the contrary, the conciliation court of Hennepin county has jurisdiction to determine a civil action commenced by a plaintiff, a resident of Hennepin county, to recover the amount of a dishonored check issued in the county, even though the defendant or defendants are not residents of Hennepin county, if the notice of nonpayment or dishonor described in section 609.535, subdivision 3, is sent to the maker or drawer as specified therein and the notice states that the payee or holder of the check may commence a conciliation court action in the county where the dishonored check was issued to recover the amount of the check. This clause does not apply to a check that has been dishonored by a stop payment order. Notwithstanding any law or rule of civil procedure to the contrary, the summons in any action commenced under this clause may be served anywhere within the state of Minnesota. The conciliation court administrator shall attach a copy of the dishonored check to the summons before it is issued.

(d) Notwithstanding the provisions of paragraph (a) or any rule of court to the contrary, the conciliation court of Hennepin county has jurisdiction to determine a civil action commenced by a plaintiff educational institution, including but not limited to, a state university or community college, with administrative offices in the county in which the conciliation court is located, to recover the amount of a student loan or loans even though the defendant or defendants are not residents of Hennepin county under the following conditions:

(1) the student loan or loans were originally awarded in Hennepin county;

(2) the loan or loans are overdue at the time the action is commenced;

(3) the amount sought in any single action does not exceed \$3,500;

(4) notice that payment on the loan is overdue has previously been sent by first class mail to the borrower to the last known address reported by the borrower to the educational institution; and

(5) the notice states that the educational institution may commence a conciliation court action in Hennepin county to recover the amount of the loan.

Notwithstanding any law or rule or civil procedure to the contrary, a summons in any action commenced under this clause may be served anywhere within the state of Minnesota. The conciliation court administrator shall attach a copy of the overdue loan or loans to the summons before it is issued. The provisions of section 487.30 dealing with jurisdiction of conciliation courts apply in Hennepin county.

Sec. 13. Minnesota Statutes 1990, section 488A.16, subdivision 1, is amended to read:

Subdivision 1. [NOTICE OF ORDER.] The court administrator shall promptly mail to each party a notice of the order for judgment which the judge enters. The notice shall state the number of days allowed for obtaining an order to vacate where there has been a default or for removing the cause to municipal court. The notice shall contain a statement that if the cause is removed to municipal court, the court may, in its discretion, allow the prevailing party to recover from the aggrieved party an amount not to exceed \$50 as costs if the prevailing party on appeal is not the aggrieved party in the original action. The provisions of section 487.30 dealing with the notice of order apply in Hennepin county.

Sec. 14. Minnesota Statutes 1990, section 488A.17, subdivision 10, is amended to read:

Subd. 10. [COSTS AND DISBURSEMENTS ON REMOVAL.] (a) For the purpose of this subdivision, "removing party" means the party who demands removal to district court or the first party who serves or files a demand for removal, if another party also demands removal. "Opposing party" means any party as to whom the removing party seeks a reversal in whole or in part.

(b) If the removing party prevails in district court, the removing party may recover \$5 as costs from the opposing party, together with disbursements in conciliation and district court. If the removing party does not prevail, the court shall award the opposing party an additional \$200 as costs, together with disbursements.

(c) The removing party prevails in district court if:

(1) the removing party recovers at least \$500 or 50 percent of the amount or value of property that the removing party requested on removal, whichever is less, when the removing party was denied any recovery in conciliation court;

(2) the opposing party does not recover any amount or any property from the removing party in district court when the opposing party recovered some amount or some property in conciliation court;

(3) the removing party recovers an amount or value of property in district court that exceeds the amount or value of property that the removing party recovered in conciliation court by at least \$500 or 50 percent, whichever is less; or

(4) the amount or value of property that the opposing party recovers from the removing party in district court is reduced from the amount or value of property that the opposing party recovered in conciliation court by at least \$500 or 50 percent, whichever is less.

(d) Costs or disbursements in conciliation or district court shall not be considered in determining whether there was a recovery by either party in either court or in determining the difference in recovery under this subdivision. The provisions of section 487.30 dealing with costs and disbursements on removal apply in Hennepin county.

Sec. 15. Minnesota Statutes 1990, section 488A.17, is amended by adding a subdivision to read:

Subd. 11a. [JUDGMENT DEBTOR DISCLOSURE.] If a cause is removed to the municipal court, judgment is entered by the municipal court and has been docketed for at least 30 days, the judgment is not satisfied, and the parties have not otherwise agreed, the municipal court shall upon request of the judgment creditor, order

the judgment debtor to mail to the judgment creditor the information on the judgment debtor's assets, liabilities, and personal earnings specified in section 488A.16, subdivision 8, on the form provided by that subdivision. The remedies provided for a violation of section 488A.16, subdivision 8, apply to a violation of this subdivision.

Sec. 16. Minnesota Statutes 1990, section 488A.29, subdivision 3, is amended to read:

Subd. 3. [JURISDICTION.] (a) Excepting actions involving title to real estate, the court has jurisdiction to hear, conciliate, try and determine civil actions at law where the amount in controversy does not exceed the sum of \$4,000, except that if the action involves a consumer credit transaction, the amount in controversy may not exceed \$2,000. "Consumer credit transaction" has the meaning given in section 487.30, subdivision 1. The territorial jurisdiction of the court is coextensive with the geographic boundaries of the county of Ramsey.

(b) Notwithstanding the provisions of paragraph (a) or any rule of court to the contrary, the conciliation court of Ramsey county has jurisdiction to determine an action brought pursuant to section 504.20 for the recovery of a deposit on rental property located in whole or in part in Ramsey county, and the summons in the action may be served anywhere in the state of Minnesota.

(c) Notwithstanding the provisions of paragraph (a) or any rule of court to the contrary, the conciliation court of Ramsey county has jurisdiction to determine a civil action commenced by a plaintiff, resident of Ramsey county, to recover the amount of a dishonored check issued in the county, even though the defendant or defendants are not residents of Ramsey county, if the notice of nonpayment or dishonor described in section 609.535, subdivision 3, is sent to the maker or drawer as specified therein and the notice states that the payee or holder of the check may commence a conciliation court action in the county where the dishonored check was issued to recover the amount of the check. This clause does not apply to a check that has been dishonored by a stop payment order. Notwithstanding any law or rule of civil procedure to the contrary, the summons in any action commenced under this clause may be served anywhere within the state of Minnesota. The conciliation court administrator shall attach a copy of the dishonored check to the summons before it is issued.

(d) Notwithstanding the provisions of paragraph (a) or any rule of court to the contrary, the conciliation court of Ramsey county has jurisdiction to determine a civil action commenced by a plaintiff educational institution, including but not limited to, a state university or community college, with administrative offices in the county in which the conciliation court is located, to recover the amount of a

student loan or loans even though the defendant or defendants are not residents of Ramsey county under the following conditions:

(1) the student loan or loans were originally awarded in Ramsey county;

(2) the loan or loans are overdue at the time the action is commenced;

(3) the amount sought in any single action does not exceed \$4,000;

(4) notice that payment on the loan is overdue has previously been sent by first class mail to the borrower to the last known address reported by the borrower to the educational institution; and

(5) the notice states that the educational institution may commence a conciliation court action in Ramsey county to recover the amount of the loan.

Notwithstanding any law or rule or civil procedure to the contrary, a summons in any action commenced under this clause may be served anywhere within the state of Minnesota. The conciliation court administrator shall attach a copy of the overdue loan or loans to the summons before it is issued. The provisions of section 487.30 dealing with jurisdiction of conciliation courts apply in Ramsey county.

Sec. 17. Minnesota Statutes 1990, section 488A.33, subdivision 1, is amended to read:

Subdivision 1. [NOTICE OF ORDER.] The administrator shall promptly mail to each party a notice of the order for judgment which the judge enters. The notice shall state the number of days allowed for obtaining an order to vacate where there has been a default or for removing the cause to municipal court. The notice shall also contain a statement that if the cause is removed to municipal court, the court may, in its discretion, allow the prevailing party to recover from the aggrieved party an amount not to exceed \$50 as costs if the prevailing party on appeal is not the aggrieved party in the original action. The provisions of section 487.30 dealing with the notice of order apply in Ramsey county.

Sec. 18. Minnesota Statutes 1990, section 488A.34, subdivision 9, is amended to read:

Subd. 9. [COSTS AND DISBURSEMENTS ON REMOVAL.] (a) For the purpose of this subdivision, "removing party" means the party who demands removal to district court or the first party who serves or files a demand for removal, if another party also demands

removal. "Opposing party" means any party as to whom the removing party seeks a reversal in whole or in part.

(b) If the removing party prevails in district court, the removing party may recover costs and disbursements from the opposing party as though the action were commenced in district court. If the removing party does not prevail, the court shall award the opposing party an additional \$200 as costs, together with disbursements.

(c) The removing party prevails in district court if:

(1) the removing party recovers at least \$500 or 50 percent of the amount or value of property that the removing party requested on removal, whichever is less, when the removing party was denied any recovery in conciliation court;

(2) the opposing party does not recover any amount or any property from the removing party in district court when the opposing party recovered some amount or some property in conciliation court;

(3) the removing party recovers an amount or value of property in district court that exceeds the amount or value of property that the removing party recovered in conciliation court by at least \$500 or 50 percent, whichever is less; or

(4) the amount or value of property that the opposing party recovers from the removing party in district court is reduced from the amount or value of property that the opposing party recovered in conciliation court by at least \$500 or 50 percent, whichever is less.

(d) Costs or disbursements in conciliation or district court shall not be considered in determining whether there was a recovery by either party in either court or in determining the difference in recovery under this subdivision. The provisions of section 487.30 dealing with costs and disbursements on removal apply in Ramsey county.

Sec. 19. Minnesota Statutes 1990, section 488A.34, is amended by adding a subdivision to read:

Subd. 10a. [JUDGMENT DEBTOR DISCLOSURE.] If a cause is removed to the municipal court, judgment is entered by the municipal court and has been docketed for at least 30 days, the judgment is not satisfied, and the parties have not otherwise agreed, the municipal court shall, upon request of the judgment creditor, order the judgment debtor to mail to the judgment creditor the information on the judgment debtor's assets, liabilities, and personal earnings specified in section 488A.33, subdivision 7, on the form provided by that subdivision. The remedies provided for a violation

of section 488A.33, subdivision 7, apply to a violation of this subdivision.

Sec. 20. Minnesota Statutes 1990, section 549.02, is amended to read:

549.02 [COSTS IN DISTRICT COURTS.]

In actions commenced in the district court, costs shall be allowed as follows:

To plaintiff: (1) Upon a judgment in the plaintiff's favor of \$100 or more in an action for the recovery of money only, ~~when no issue of fact or law is joined, \$5; when issue is joined, \$10~~ \$200. (2) In all other actions, including an action by a public employee for wrongfully denied or withheld employment benefits or rights, except as otherwise specially provided, ~~\$10~~ \$200.

To defendant: (1) Upon discontinuance or dismissal, ~~\$5~~. (2) or when judgment is rendered in the defendant's favor on the merits, ~~\$10~~ \$200.

To the prevailing party: (1) \$5.50 for the cost of filing a satisfaction of the judgment.

Sec. 21. [CONCILIATION COURT JURISDICTION AMOUNTS.]

Subdivision 1. [INCREASE IN LIMITS.] The conciliation court jurisdictional limit contained in Minnesota Statutes, section 487.30, subdivision 1, increases to \$6,000 on August 1, 1993, and \$7,500 on August 1, 1994.

Subd. 2. [REVISOR'S INSTRUCTION.] The revisor of statutes shall make the changes in the jurisdictional amounts provided in subdivision 1 in Minnesota Statutes 1993 Supplement and subsequent editions of the statutes.

Sec. 22. [REPEALER.]

Minnesota Statutes 1990, sections 487.30, subdivision 3; 488A.14, subdivision 6; and 488A.31, subdivision 6, are repealed."

Delete the title and insert:

"A bill for an act relating to courts; authorizing certain appearances in conciliation court; modifying and clarifying conciliation court jurisdiction and procedures; increasing jurisdictional amounts; amending Minnesota Statutes 1990, sections 487.30, sub-

divisions 1, 3a, 4, 7, 8, and by adding subdivisions; 488A.12, subdivision 3; 488A.16, subdivision 1; 488A.17, subdivision 10, and by adding a subdivision; 488A.29, subdivision 3; 488A.33, subdivision 1; 488A.34, subdivision 9, and by adding a subdivision; and 549.02; Minnesota Statutes 1991 Supplement, section 481.02, subdivision 3; repealing Minnesota Statutes 1990, sections 487.30, subdivision 3; 488A.14, subdivision 6; and 488A.31, subdivision 6."

The motion prevailed and the amendment was adopted.

Pugh moved to amend S. F. No. 1691, as amended, as follows:

Page 17, after line 12, insert:

"This section does not apply to actions removed to district court from conciliation court."

The motion prevailed and the amendment was adopted.

Pugh moved to amend S. F. No. 1691, as amended, as follows:

Page 9, after line 9, insert:

"Sec. 11. Minnesota Statutes 1990, section 487.30, is amended by adding a subdivision to read:

Subd. 8a. [NOTICE OF COSTS ON APPEAL.] A notice of an order for judgment shall contain the following provision regarding additional costs that may be imposed under subdivision 8 upon removal of the cause to district court.

"NOTICE

If you appeal to district court and do not do better than you did in conciliation court, you must pay the other side a special fee of \$250, called costs, plus any judgment the district court orders. You must pay the \$250 in costs unless:

(1) You won nothing in conciliation court, and then you win at least \$500 or half of what you ask for in district court; or

(2) You won something in conciliation court, and then the district court increases what you won there by \$500 or one and one-half (1-1/2) times what you won in conciliation court; or

(3) the other side won something in conciliation court and then wins nothing in district court; or

(4) The other side won something in conciliation court, and then the district court reduces that award by \$500 or one-half.”

Page 12, line 30, after “removal” insert “and the notice required by section 11”

Page 16, line 17, after “removal” insert “and the notice required by section 11”

Renumber sections accordingly

The motion prevailed and the amendment was adopted.

Reding moved to amend S. F. No. 1691, as amended, as follows:

Page 17, delete section 21

Renumber the remaining section

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

S. F. No. 1691, A bill for an act relating to courts; authorizing certain appearances in conciliation court; modifying and clarifying conciliation court jurisdiction and procedures; increasing jurisdictional amounts; amending Minnesota Statutes 1990, sections 487.30, subdivisions 1, 3a, 4, 7, 8, and by adding subdivisions; 488A.12, subdivision 3; 488A.15, subdivision 2; 488A.16, subdivision 1; 488A.17, subdivision 10; 488A.29, subdivision 3; 488A.32, subdivision 2; 488A.33, subdivision 1; 488A.34, subdivision 9; Minnesota Statutes 1991 Supplement, section 481.02, subdivision 3; repealing Minnesota Statutes 1990, sections 487.30, subdivision 3; 488A.14, subdivision 6; 488A.31, subdivision 6.

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

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Bertram	Carlson	Dille	Girard
Anderson, I.	Bettermann	Carruthers	Dorn	Goodno
Anderson, R. H.	Bishop	Clark	Erhardt	Greenfield
Battaglia	Blatz	Cooper	Farrell	Gruenes
Bauerly	Bodahl	Dauner	Frederick	Gutknecht
Beard	Boo	Davids	Frerichs	Hanson
Beigh	Brown	Dawkins	Garcia	Hartle

Hasskamp	Koppendraye	Nelson, K.	Rest	Tompkins
Haukoos	Krambeer	Nelson, S.	Rice	Trimble
Hausman	Krinkie	Newinski	Rodosovich	Tunheim
Heir	Krueger	O'Connor	Rukavina	Uphus
Henry	Lasley	Ogren	Runbeck	Valento
Hufnagle	Leppik	Olsen, S.	Sarna	Vanasek
Hugoson	Lieder	Olson, E.	Schafer	Vellenga
Jacobs	Limmer	Olson, K.	Schreiber	Wagenius
Janezich	Lourey	Omann	Seaberg	Waltman
Jaros	Lynch	Onnen	Segal	Weaver
Jefferson	Macklin	Orenstein	Simoneau	Wejcmán
Jennings	Mariani	Orfield	Skoglund	Welker
Johnson, A.	Marsh	Osthoff	Smith	Welle
Johnson, R.	McEachern	Ostrom	Solberg	Wenzel
Johnson, V.	McGuire	Ozment	Sparby	Winter
Kahn	McPherson	Pellow	Stanisus	Spk. Long
Kalis	Milbert	Pelowski	Steensma	
Kelso	Morrison	Peterson	Sviggum	
Kinkel	Munger	Pugh	Swenson	
Knickerbocker	Murphy	Reding	Thompson	

Those who voted in the negative were:

Dempsey

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

S. F. No. 1993 was reported to the House.

Johnson, A., moved to amend S. F. No. 1993, as follows:

Page 1, after line 16, insert:

"Section 1. Minnesota Statutes 1990, section 161.1231, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY TO CONSTRUCT.] Notwithstanding section 161.123 or any other law, the commissioner may acquire land by purchase, gift, or eminent domain for parking facilities described in this section and may construct, operate, repair, and maintain parking facilities primarily to serve vehicles traveling the route in the interstate highway system described in section 161.123, clause (2), also known as I-394 and, if approved by the federal government, vehicles occupied by two or more persons traveling other routes. Other vehicles may use the parking facilities when space is available.

Sec. 2. Minnesota Statutes 1990, section 161.1231, subdivision 2, is amended to read:

Subd. 2. [RULES AND PROCEDURES.] The commissioner shall adopt rules and establish procedures for the operation and use of the parking facilities. The rules are exempt from the requirements of

chapter 14. A copy of the rules that regulate use of the facilities by drivers must be posted in each parking facility. The rules must:

(1) establish incentives, which must include preferential parking locations, to encourage drivers of vehicles that are occupied by two or more persons that travel on I-394 and that are occupied by two or more persons other routes, if approved by the federal government, to use the facilities;

(2) define peak travel hours and provide that during peak travel hours single-occupant vehicles be charged a surcharge to bring the parking fee for those vehicles to approximately the same level as parking fees charged in the private parking ramps located in Minneapolis;

(3) provide preferential parking locations for vehicles licensed and operated under section 168.021;

(4) establish application, permit, and use requirements; and

(5) provide for removal and impoundment of vehicles and assessment of a service fee on vehicles parked in violation of this section and the rules adopted under it.”

Page 1, line 29, after “Subdivision 1.” insert “[DESIGNATION; RESTRICTED USE.]”

Page 2, line 6, after “Subd. 2.” insert “[VIOLATION; PENALTY.]”

Page 3, line 23, delete “multi-occupancy” and insert “high-occupancy”

Page 5, line 7, after “with” insert “employers,”

Page 5, after line 21, insert:

“Sec. 10. [CARPOOL INCENTIVES.]

The commissioner of transportation shall take all steps necessary to secure the approval of the federal government required to make all high-occupancy vehicles, whether traveling on I-394 or other routes, eligible for parking fee incentives in the garages constructed under section 161.1231.

Sec. 11. [APPLICATION TO FEDERAL ACTIONS.]

Nothing in this act requires the commissioner of transportation to take any action that (1) will jeopardize the state's eligibility for or ability to use federal highway funds or (2) the commissioner determines will result in any other federal action against the state.”

Renumber the sections of article 1 in sequence

Correct internal references

Page 6, line 35, before "transit" insert "public"

Page 6, line 36, delete "with" and insert "and has"

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "providing incentives for the use of alternative means of commuting;"

Page 1, line 5, before "providing" insert "prohibiting persons from parking in certain areas used as transit bus stops;"

Page 1, line 9, after "sections" insert "161.1231, subdivisions 1 and 2,"

The motion prevailed and the amendment was adopted.

Johnson, A., moved to amend S. F. No. 1993, as amended, as follows:

Page 1, line 25, delete "the" and insert "any"

Page 1, line 26, delete "metropolitan" and insert "public" and delete "commission" and insert "system"

Page 3, line 27, delete "COMMUTER TRIP" and insert "CONGESTION"

Page 3, line 29, delete "commuter trip" and insert "congestion"

Page 4, lines 1, 22, 28, and 30, delete "commuter trip" and insert "congestion"

Page 5, line 17, delete "commuter trip" and insert "congestion"

The motion prevailed and the amendment was adopted.

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

Speaker pro tempore Krueger called Bauerly to the Chair.

Blatz, Skoglund, Knickerbocker, Murphy, Orenstein, Morrison, Limmer and Rukavina moved to amend S. F. No. 1993, as amended, as follows:

Page 1, line 21, delete "clearly visible from a distance of at least 50 feet"

Page 1, lines 23 to 24, delete "clearly visible from a distance of at least 50 feet"

Page 2, line 8, before the period insert ", unless the motor vehicle operated in violation of this section also had a mannequin, dummy, or other device placed to look like a passenger, in which case the owner or lessee of the motor vehicle is liable for a civil penalty of up to \$125"

A roll call was requested and properly seconded.

The question was taken on the Blatz et al amendment and the roll was called. There were 127 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Johnson, A.

The motion prevailed and the amendment was adopted.

Valento moved to amend S. F. No. 1993, as amended, as follows:

Page 5, after line 26, insert:

“Section 1. Minnesota Statutes 1990, section 13.72, is amended by adding a subdivision to read:

Subd. 8. [ORIGIN AND DESTINATION STUDIES; COMMUTER SURVEY DATA.] Data collected by the commissioner of transportation under section 174.258 are private data with regard to data on individuals or nonpublic data with regard to data not on individuals, including the subject's name, home address, telephone number, place of work, and commuting information. Summaries and analyses of the data collected are public data if they do not reveal private data or nonpublic data.”

Page 7, after line 29, insert:

“Sec. 4. [174.258] [ORIGIN AND DESTINATION STUDIES; COMMUTER SURVEY.]

The commissioner of transportation may conduct origin and destination studies using photographic or other technology to identify the owners of vehicles traveling on routes under study in order to survey the owners about their commuting needs and habits. All photographs, photographic negatives, videos, survey responses, and other data collected under this section are private data with regard to data on individuals or nonpublic data with regard to data not on individuals, as provided in section 13.72, subdivision 8. Summaries and analyses of the data that do not reveal private data or nonpublic data, are public data. Photographs, photographic negatives, videos, survey responses or other data collected under this section may not be used in evidence in any civil, criminal, or administrative proceeding.”

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Valento offered an amendment to S. F. No. 1993, as amended.

Valento requested a division of his amendment to S. F. No. 1993, as amended.

Johnson, A., requested a further division of the Valento amendment to S. F. No. 1993, as amended.

The first portion of the Valento amendment as divided by Valento and Johnson, A., reads as follows:

Page 7, after line 29, insert the following:

“Sec. 3. Minnesota Statutes 1990, section 174.257, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] The commissioner of transportation shall establish a ridesharing program in order to advise citizens of the available alternatives to travel by low occupancy vehicles and the benefits derived from sharing rides. The commissioner shall be responsible for implementing ridesharing programs in the metropolitan area and statewide. The commissioner shall consult with the metropolitan council and regional transit board in implementing the metropolitan area ridesharing program. The program must provide citizens with necessary information and opportunities for sharing rides, encourage citizens to share rides, and assist citizens in obtaining access to shared rides. The program must make use of existing services and agencies whenever possible. The program must give priority to assisting employers who will implement employee ridesharing programs. The services provided by the program must include:

- (a) providing general information to potential ridesharing users;
- (b) establishing procedures for the implementation of ridesharing programs by individuals, groups, corporations, or local agencies;
- (c) offering assistance to local governments and other political subdivisions in implementing ridesharing programs;
- (d) providing technical assistance to those individuals, groups, corporations, or local agencies;
- (e) providing advice to individuals requesting assistance in finding ridesharing opportunities and programs;
- (f) providing assistance in obtaining insured leased vans and management assistance to individuals and persons implementing ridesharing programs.”

Page 9, after line 12, insert:

Sec. 6. Minnesota Statutes 1990, section 473.375, subdivision 11, is amended to read:

Subd. 11. [RIDESHARING.] Upon certification by the board, after June 30, 1985, that it has adopted an approved interim implementation plan and is ready to assume responsibilities for the program, the board shall assume the responsibilities identified by the board that are imposed on the commissioner of transportation, the metropolitan council, or the transit commission pursuant to section 174.257 and other applicable provisions of law for the establishment and implementation of a ridesharing program in the metropolitan area, except for the statewide vanpool leasing program conducted by the commissioner. The commissioner, the council, and the commission shall cooperate with the board in the transfer of these duties and in the conduct of ridesharing activities in areas where the commissioner's programs and the board's program overlap. The board shall establish a rideshare advisory committee to advise it in carrying out the program. The board may contract for services in operating the program. The board shall cooperate with the commissioner of transportation in implementing and administering the ridesharing program under section 174.257 in the metropolitan area.

Sec. 8. [TRANSFER OF METROPOLITAN AREA RIDESHARING DUTIES.]

The regional transit board and metropolitan transit commission shall cooperate with the commissioner of transportation in the transfer of metropolitan area ridesharing program duties to the commissioner. The board and commission shall give all contracts, books, maps, plans, papers, records, and property of every description relating to their responsibilities for administering the metropolitan area ridesharing program to the commissioner of transportation. The commissioner shall accept the material presented. The transfer shall be made in accordance with the directions of the commissioner of transportation.

Sec. 9. [UNEXPENDED FUNDS.]

The unexpended balance of any appropriation to the regional transit board for rideshare programs is reappropriated to the commissioner of transportation for the same purpose effective on the effective date of this section. The commissioner shall pay all valid claims presented against those appropriations.

Sec. 10. [TRANSFER OF OBLIGATIONS.]

The commissioner of transportation is the legal successor of the regional transit board and metropolitan transit commission with regard to the rideshare program in the metropolitan area. Any resolutions, contracts, liabilities, powers, or authority of the board or the commission arising out of the rideshare program become the resolutions, contracts, liabilities, powers, and authority of the commissioner on the effective date of this section.

Sec. 11. [MANAGEMENT AUDIT OF METROPOLITAN TRANSIT COMMISSION.]

The regional transit board shall conduct a management audit of the operations and functions of the metropolitan transit commission. The audit shall at a minimum identify the factors affecting the commission's costs. The board shall review the audit analysis to identify means of improving needed services with existing resources. The board shall complete the audit and include a summary of its findings in the board's report to the council, the governor, and the legislature required under section 473.375, subdivision 16."

Page 10, delete lines 4 and 5 and insert the following:

"Sec. 14. [EFFECTIVE DATES; APPLICATION.]

Section 5 is effective January 1, 1993. Sections 3, 6, 8, 9, and 10 are effective July 1, 1993. Sections 7, 11, and 13 are effective the day following final enactment. Sections 5, 6, 7, 8, and 11 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Renumber the sections of article 2 in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the first portion of the Valento amendment as divided by Valento and Johnson, A., and the roll was called. There were 60 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Abrams	Goodno	Koppendrayner	Olson, E.	Smith
Anderson, R. H.	Gruenes	Krambeer	Omann	Sparby
Bettermann	Gutknecht	Krinkie	Onnen	Stanisus
Blatz	Hartle	Leppik	Ozment	Sviggum
Boo	Haukoos	Limmer	Pauly	Swenson
Davids	Heir	Lynch	Pellow	Tompkins
Dempsey	Henry	Macklin	Pelowski	Uphus
Dille	Hufnagle	Marsh	Peterson	Valento
Erhardt	Hugoson	McPherson	Runbeck	Waltman
Frederick	Jennings	Morrison	Schafer	Weaver
Frerichs	Johnson, V.	Newinski	Schreiber	Welker
Girard	Knickerbocker	Olsen, S.	Seaberg	Wenzel

Those who voted in the negative were:

Anderson, I.	Dorn	Kalis	O'Connor	Solberg
Battaglia	Farrell	Kelso	Ogren	Steensma
Bauerly	Garcia	Kinkel	Olson, K.	Thompson
Beard	Greenfield	Krueger	Orenstein	Trimble
Begich	Hanson	Lasley	Orfield	Tunheim
Bertram	Hasskamp	Lieder	Ostrom	Vanasek
Bodahl	Hausman	Lourey	Reding	Vellenga
Brown	Jacobs	Mariani	Rest	Wagenius
Carlson	Janezich	McEachern	Rice	Wejman
Carruthers	Jaros	McGuire	Rodosovich	Welle
Clark	Jefferson	Munger	Rukavina	Winter
Cooper	Johnson, A.	Murphy	Sarna	Spk. Long
Dauner	Johnson, R.	Nelson, K.	Segal	
Dawkins	Kahn	Nelson, S.	Skoglund	

The motion did not prevail and the first portion of the Valento amendment as divided by Valento and Johnson, A., was not adopted.

Valento requested a division of the second portion of the Valento amendment to S. F. No. 1993, as amended.

The first portion of the second portion of the Valento amendment to S. F. No. 1993, as amended, reads as follows:

Page 9, after line 12, insert:

Sec. 7. Minnesota Statutes 1990, section 473.392, is amended to read:

473.392 [SERVICE BIDDING.]

Subdivision 1. [PROCEDURES.] The regional transit board may competitively bid transit service only in accordance with the policy, standards, and procedures, and guidelines adopted by resolution of the board. The board shall establish a project management team to assist and advise the board in developing and implementing the policy, standards, and procedures, and guidelines. The project management team must include representatives of the metropolitan transit commission, the Amalgamated Transit Union Local 1005, private operators, local governments, and other persons interested in the subject. At least 60 days before adopting any the policy, standards, and procedures, or guidelines for competitive bidding of transit service, the board shall hold a public hearing on the subject. The board shall publish notice of the hearing in newspapers of general circulation in the metropolitan area not less than 15 days before the hearing. At the hearing all interested persons must be afforded an opportunity to present their views orally and in writing. Following the hearing, and after considering the testimony, the board shall revise and adopt the policy, standards, and procedures, and guidelines.

Subd. 2. [COMPETITIVE BIDDING POLICY.] By February 1, 1993, the regional transit board shall adopt a competitive bidding policy for provision of regular route transit services as defined in

section 473.385, subdivision 1. The policy must allow the metropolitan transit commission to submit a bid to provide these services. The policy must specify what costs and cost-methodologies the metropolitan transit commission must use when submitting a bid in order to reflect the true costs for the commission to provide these services, including when the commission must include fully-allocated costs or marginal costs. The board shall report to the legislature by February 15, 1993, on the policy adopted and provide a comparison of the policy adopted with the recommendations of the board's consultant and project management team members."

Renumber the sections of article 2 in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the first portion of the second portion of the Valento amendment and the roll was called. There were 52 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Koppendrayser	Omann	Sviggum
Anderson, R. H.	Goodno	Krambeer	Onnen	Swenson
Bettermann	Gruenes	Krinkie	Ozment	Tompkins
Bodahl	Gutknecht	Leppik	Pauly	Uphus
Boo	Haukoos	Limmer	Pellow	Valento
Davids	Heir	Lynch	Runbeck	Waltman
Dempsey	Henry	Macklin	Schafer	Weaver
Dille	Hufnagle	Marsh	Schreiber	Welker
Erhardt	Hugoson	McPherson	Seaberg	
Frederick	Johnson, V.	Morrison	Smith	
Frerichs	Knickerbocker	Olson, K.	Stanisus	

Those who voted in the negative were:

Anderson, I.	Garcia	Kinkel	Olsen, S.	Skoglund
Battaglia	Greenfield	Krueger	Olson, E.	Solberg
Bauerly	Hanson	Lasley	Orenstein	Sparby
Beard	Hartle	Lieder	Orfield	Steensma
Begich	Hasskamp	Lourey	Osthoff	Thompson
Bertram	Hausman	Mariani	Ostrom	Trimble
Bishop	Jacobs	McEachern	Pelowski	Tunheim
Brown	Janezich	McGuire	Peterson	Vanasek
Carlson	Jaros	Milbert	Pugh	Vellenga
Carruthers	Jefferson	Munger	Reding	Wagenius
Clark	Jennings	Murphy	Rest	Wejcman
Cooper	Johnson, A.	Nelson, K.	Rice	Welle
Dauner	Johnson, R.	Nelson, S.	Rodosovich	Wenzel
Dawkins	Kahn	Newinski	Rukavina	Winter
Dorn	Kalis	O'Connor	Sarna	
Farrell	Kelso	Ogren	Segal	

The motion did not prevail and the first portion of the second portion of the Valento amendment was not adopted.

Valento withdrew the remaining portion of the second portion of his amendment to S. F. No. 1993, as amended.

The remaining portion of the Valento amendment to S. F. No. 1993, as amended, and as divided by Johnson, A., reads as follows:

Page 9, after line 12, insert:

“Sec. 5. Minnesota Statutes 1990, section 473.373, subdivision 6, is amended to read:

Subd. 6. [EXECUTIVE DIRECTOR.] ~~The chief administering officer of the board shall hold the position of executive director. The executive director shall be appointed as provided in section 473.141 and have the duties and authority prescribed for a chief administrator in section 473.141. The chair may appoint an executive director, subject to approval by the board, on the basis of training and experience. The executive director shall serve at the pleasure of the chair as the principal operating administrator for the board.~~

Renumber the sections of article 2 in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the remaining portion of the Valento amendment, as divided by Johnson, A., was adopted.

Johnson, A., moved that S. F. No. 1993, as amended, be temporarily laid over on Special Orders. The motion prevailed.

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

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Madam Speaker:

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

S. F. No. 2107.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 2107, A bill for an act relating to workers' compensation; providing for comprehensive reform; regulating benefits; providing for medical cost control; requiring improved safety measures; regulating attorneys; providing for more efficient administrative procedures; eliminating the second injury fund; regulating insurance; reforming the assigned risk plan; regulating fraud; imposing penalties; amending Minnesota Statutes 1990, sections 79.251, by adding subdivisions; 79.252, subdivisions 1 and 3; 79.58, by adding a subdivision; 79A.02, by adding subdivisions; 79A.03, subdivisions 3, 4, 7, and 9; 79A.04, subdivision 2; 79A.06, subdivision 5; 175.007; 176.011, subdivisions 9 and 11a; 176.081, subdivisions 1, 2, and 3; 176.101, subdivisions 1, 2, 5, 6, and 8; 176.102, subdivisions 1, 2, 4, 6, 9, and 11; 176.103, subdivisions 2, 3, and by adding a subdivision; 176.105, subdivision 1; 176.106, subdivision 6; 176.111, subdivision 18; 176.129, subdivision 10; 176.130, subdivisions 8 and 9; 176.132, subdivision 1; 176.135, subdivisions 1, 5, 6, and 7; 176.136, subdivisions 1, 2, and by adding subdivisions; 176.137, subdivision 5; 176.138; 176.139, subdivision 2; 176.155, subdivision 1; 176.179; 176.181, subdivision 3, and by adding a subdivision; 176.182; 176.183; 176.185, subdivision 5a; 176.194, subdivisions 4 and 5; 176.221, subdivisions 3 and 3a; 176.231, subdivision 10; 176.261; 176.421, subdivision 1; 176.461; 176.645, subdivisions 1 and 2; 176.83, subdivision 5, and by adding a subdivision; 176A.03, by adding a subdivision; 480B.01, subdivisions 1 and 10; 609.52, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 79; 79A; and 176; repealing Minnesota Statutes 1990, sections 176.131; 176.135, subdivision 3; and 176.136, subdivision 5.

The bill was read for the first time.

Rukavina moved that S. F. No. 2107 and H. F. No. 1952, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

SPECIAL ORDERS

H. F. No. 769 was reported to the House.

Krueger moved to amend H. F. No. 769, the second engrossment, as follows:

Page 2, lines 4 to 6, delete the new language

Page 4, line 35, after "form" insert "and lien notice"

Page 8, line 34, after "A" insert "lien"

Page 16 and page 17, delete sections 18 and 20

Page 17, line 3, delete "\$100,000" and insert "\$357,000"

Page 17, line 4, delete "transfer to the farm"

Page 17, line 5, delete everything before the period and insert "implementation and maintenance of the computerized farm products filing and notification system"

Page 17, line 7, delete "persons" and insert "positions"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Peterson offered an amendment to H. F. No. 769, the second engrossment, as amended.

POINT OF ORDER

Stanis raised a point of order pursuant to rule 3.09 that the Peterson amendment was not in order. Speaker pro tempore Bauerly ruled the point of order well taken and the amendment out of order.

H. F. No. 769, A bill for an act relating to agriculture; providing for a central computerized filing system for effective financing statements and farm products statutory lien notices; establishing a certain temporary surcharge; appropriating money; amending Minnesota Statutes 1991 Supplement, section 336.9-413; proposing coding for new law in Minnesota Statutes, chapter 336A; repealing Minnesota Statutes 1990, sections 223A.02; 223A.03; 223A.04; 223A.05; 223A.06; and 223A.07.

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

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Waltman Wenzel

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

S. F. No. 2137 was reported to the House.

There being no objection, S. F. No. 2137 was continued on Special Orders.

S. F. No. 1778 was reported to the House.

There being no objection, S. F. No. 1778 was continued on Special Orders.

S. F. No. 2186 was reported to the House.

There being no objection, S. F. No. 2186 was continued on Special Orders.

H. F. No. 2368 was reported to the House.

Frerichs and Dempsey moved to amend H. F. No. 2368, the third engrossment, as follows:

Page 11, line 19, after "carrier" insert "who did not use a local cartage carrier on or before March 1, 1992"

A roll call was requested and properly seconded.

The question was taken on the Frerichs and Dempsey amendment and the roll was called. There were 40 yeas and 87 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Johnson, A.	McPherson	Smith
Anderson, R. H.	Goodno	Knickerbocker	Olson, E.	Stanis
Bettermann	Gruenes	Koppendraye	Omann	Svigum
Bishop	Gutknecht	Krinkie	Onnen	Swenson
Daids	Hartle	Krueger	Orenstein	Tompkins
Dempsey	Haukoos	Lynch	Pellow	Uphus
Erhardt	Heir	Macklin	Peterson	Waltman
Frerichs	Hugoson	McEachern	Seaberg	Welker

Those who voted in the negative were:

Anderson, I.	Garcia	Lasley	Olson, K.	Solberg
Battaglia	Greenfield	Leppik	Orfield	Sparby
Bauerly	Hanson	Lieder	Ostho	Steensma
Beard	Hausman	Limmer	Ostrom	Thompson
Begich	Henry	Lourey	Ozment	Trimble
Bertram	Hufnagle	Mariani	Pauly	Tunheim
Blatz	Jacobs	Marsh	Pelowski	Valento
Bodahl	Janezich	McGuire	Pugh	Vanasek
Boo	Jaros	Milbert	Reding	Vellenga
Brown	Jefferson	Morrison	Rest	Wagenius
Carlson	Jennings	Munger	Rodosovich	Weaver
Carruthers	Johnson, R.	Murphy	Rukavina	Wejman
Cooper	Johnson, V.	Nelson, K.	Runbeck	Welle
Dauner	Kahn	Nelson, S.	Sarna	Wenzel
Dawkins	Kalis	Newinski	Schafer	Winter
Dorn	Kelso	O'Connor	Schreiber	
Farrell	Kinkel	Ogren	Segal	
Frederick	Krambeer	Olsen, S.	Skoglund	

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

Frerichs and Dempsey moved to amend H. F. No. 2368, the third engrossment, as follows:

Page 3, after line 36, insert a section to read:

“Sec. 13. Minnesota Statutes 1990, section 221.036, subdivision 3, is amended to read:

Subd. 3. [AMOUNT OF PENALTY; CONSIDERATIONS.] (a) The commissioner may issue an order assessing a penalty of up to \$5,000 for all violations of section 221.021, section 221.041, subdivision 3, 221.081, or section 221.171, identified during a single inspection, audit, or investigation.

(b) The commissioner may issue an order assessing a penalty up to a maximum of \$10,000 for all violations of section 221.035 identified during a single inspection or audit.

~~(b)~~ (c) In determining the amount of a penalty, the commissioner shall consider:

- (1) the willfulness of the violation;
- (2) the gravity of the violation, including damage to humans, animals, air, water, land, or other natural resources of the state;
- (3) the history of past violations, including the similarity of the most recent violation and the violation to be penalized, the time elapsed since the last violation, the number of previous violations, and the response of the person to the most recent violation identified;
- (4) the economic benefit gained by the person by allowing or committing the violation; and
- (5) other factors as justice may require, if the commissioner specifically identifies the additional factors in the commissioner's order.”

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Frerichs and Dempsey moved to amend H. F. No. 2368, the third engrossment, as amended, as follows:

Page 2, delete sections 5 and 6

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Frerichs and Dempsey amendment and the roll was called. There were 32 yeas and 97 nays as follows:

Those who voted in the affirmative were:

Anderson, R. H.	Frederick	Hugoson	Orenstein	Tompkins
Bishop	Frerichs	Krinkie	Pellow	Uphus
Blatz	Girard	Lynch	Schreiber	Waltman
Clark	Gutknecht	McPherson	Sparby	Welker
Davids	Hasskamp	Olson, E.	Stanisus	
Dempsey	Haukoos	Olson, K.	Sviggum	
Erhardt	Henry	Onnen	Swenson	

Those who voted in the negative were:

Abrams	Greenfield	Koppendraye	Ogren	Skoglund
Anderson, I.	Gruenes	Krambeer	Olsen, S.	Smith
Battaglia	Hanson	Krueger	Omann	Solberg
Bauerly	Hartle	Lasley	Orfield	Steensma
Beard	Hausman	Leppik	Osthoff	Thompson
Begich	Heir	Lieder	Ostrom	Trimble
Bertram	Hufnagle	Limmer	Ozment	Tunheim
Bettermann	Jacobs	Lourey	Pauly	Valento
Bodahl	Janezich	Mariani	Pelowski	Vanasek
Boo	Jaros	Marsh	Peterson	Vellenga
Brown	Jefferson	McEachern	Pugh	Wagenius
Carlson	Jennings	McGuire	Reding	Weaver
Carruthers	Johnson, A.	Milbert	Rest	Wejcman
Cooper	Johnson, R.	Morrison	Rodosovich	Welle
Dauner	Johnson, V.	Munger	Rukavina	Wenzel
Dawkins	Kahn	Murphy	Runbeck	Winter
Dorn	Kalis	Nelson, K.	Sarna	Spk. Long
Farrell	Kelso	Nelson, S.	Schafer	
Garcia	Kinkel	Newinski	Seaberg	
Goodno	Knickerbocker	O'Connor	Segal	

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

The Speaker resumed the Chair.

Dempsey moved to amend H. F. No. 2368, the third engrossment, as amended, as follows:

Page 16, after line 33, insert:

"(e) A motor carrier who received an irregular route common carrier permit for the first time after January 1, 1992, may serve any point within the geographic area specified in the permit until December 31, 1993, without being required to add those points to the carriers class 2 permit under the procedures of section 25, paragraph (d)."

A roll call was requested and properly seconded.

The question was taken on the Dempsey amendment and the roll was called. There were 59 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Koppendrayner	Olson, K.	Smith
Anderson, R. H.	Girard	Krinkie	Omamn	Sparby
Bettermann	Goodno	Krueger	Onnen	Stanisus
Bishop	Gruenes	Leppik	Orenstein	Sviggum
Blatz	Hartle	Limmer	Pauly	Swenson
Clark	Hasskamp	Lynch	Pellow	Tompkins
Davids	Haukoos	Macklin	Pelowski	Uphus
Dempsey	Henry	Marsh	Peterson	Waltman
Dille	Hufnagle	McPherson	Runbeck	Weaver
Dorn	Hugoson	Morrison	Schafer	Welker
Erhardt	Johnson, V.	Olsen, S.	Schreiber	Wenzel
Frederick	Knickerbocker	Olson, E.	Seaberg	

Those who voted in the negative were:

Anderson, I.	Garcia	Kelso	O'Connor	Thompson
Battaglia	Greenfield	Kinkel	Ogren	Trimble
Bauerly	Gutknecht	Krambeer	Orfield	Tunheim
Beard	Hanson	Lasley	Osthoff	Valento
Begich	Hausman	Lieder	Ostrom	Vanasek
Bertram	Heir	Lourey	Ozment	Vellenga
Bodahl	Jacobs	Mariani	Reding	Wagenius
Boo	Janezich	McEachern	Rest	Wejzman
Brown	Jaros	McGuire	Rodosovich	Welle
Carlson	Jefferson	Milbert	Rukavina	Winter
Carruthers	Jennings	Munger	Sarna	Spk. Long
Cooper	Johnson, A.	Murphy	Segal	
Dauner	Johnson, R.	Nelson, K.	Skoglund	
Dawkins	Kahn	Nelson, S.	Solberg	
Farrell	Kalis	Newinski	Steensma	

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

H. F. No. 2368, A bill for an act relating to motor carriers; providing for the expiration of certificates and permits as regular and irregular route carriers of property, and for their conversion to class I certificates and class II permits; specifying operating authority granted by each class; restricting transfer of certain operating authority; prohibiting the lease of class I certificates and class II permits; increasing registration fees for vehicles of motor carriers; assessing penalties; appropriating money; amending Minnesota Statutes 1990, sections

221.011, subdivisions 7, 8, 9, 14, and by adding subdivisions; 221.036, subdivisions 1 and 3; 221.041; 221.051; 221.061; 221.071, subdivision 1; 221.111; 221.121, subdivisions 1, 4, 6a, and by adding subdivisions; 221.131, subdivisions 2 and 3; 221.141, subdivision 4; and 221.151, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1990, section 221.011, subdivision 11.

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

The question was taken on the passage of the bill and the roll was called. There were 104 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Abrams	Garcia	Kinkel	O'Connor	Skoglund
Anderson, I.	Greenfield	Knickerbocker	Ogren	Smith
Bauerly	Gruenes	Krambeer	Olsen, S.	Solberg
Beard	Hanson	Krueger	Omann	Sparby
Bertram	Hartle	Lasley	Orenstein	Steensma
Bishop	Hasskamp	Leppik	Orfield	Swenson
Blatz	Hausman	Lieder	Osthoff	Thompson
Bodahl	Heir	Lourey	Ostrom	Trimble
Boo	Henry	Lynch	Ozment	Tunheim
Brown	Hufnagle	Macklin	Pauly	Uphus
Carlson	Jacobs	Mariani	Pelowski	Valento
Carruthers	Janezich	Marsh	Reding	Vanasek
Cooper	Jaros	McEachern	Rest	Vellenga
Dauner	Jefferson	McGuire	Rice	Wagenius
Dawkins	Jennings	Milbert	Rodosovich	Weaver
Dempsey	Johnson, A.	Morrison	Rukavina	Wejcman
Dille	Johnson, R.	Munger	Runbeck	Welle
Dorn	Johnson, V.	Murphy	Sarna	Wenzel
Erhardt	Kahn	Nelson, K.	Schafer	Winter
Farrell	Kalis	Nelson, S.	Schreiber	Spk. Long
Frederick	Kelso	Newinski	Segal	

Those who voted in the negative were:

Anderson, R. H.	Girard	Krinkie	Pellow	Waltman
Battaglia	Goodno	Limmer	Peterson	Welker
Begich	Gutknecht	McPherson	Seaberg	
Bettermann	Haukoos	Olson, E.	Stanis	
Davids	Hugoson	Olson, K.	Sviggum	
Frerichs	Koppendrayner	Onnen	Tompkins	

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

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

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

H. F. No. 2121, A bill for an act relating to education; providing for general education and related revenue, transportation, special programs, other aids, levies, and programs; appropriating money; amending Minnesota Statutes 1990, sections 120.101, subdivision 5; 120.102, subdivision 1; 120.17, subdivisions 3a, 8a, 12, 14, 16, and by adding subdivisions; 121.148, subdivision 3; 121.11, by adding a subdivision; 121.16, subdivision 1; 121.935, by adding subdivisions; 122.22, by adding a subdivision; 122.23, subdivisions 13, 16, and by adding a subdivision; 122.247, subdivision 1; 122.531, subdivisions 1a, 2, 2a, 2b, and 2c; 122.532, subdivision 2; 123.35, by adding a subdivision; 123.3514, subdivisions 6, as amended, as reenacted, 6b, as amended, as reenacted, and by adding a subdivision; 123.39, subdivision 8d; 123.58, by adding a subdivision; 123.744, as amended, as reenacted; 124.243, subdivision 2, and by adding a subdivision; 124.2725, subdivision 13; 124.331, subdivisions 1 and 3; 124.431, by adding a subdivision; 124.493, subdivision 1; 124.494, subdivisions 2, 4, and 5; 124.73, subdivision 1; 124.83, subdivisions 2, 6, and by adding subdivisions; 124.85, subdivision 4; 124A.22, subdivision 2a, and by adding subdivisions; 124A.23, subdivision 3; 124A.26, subdivision 2, and by adding a subdivision; 124C.07; 124C.08, subdivision 2; 124C.09; 124C.61; 125.05, subdivisions 1, 7, and by adding subdivisions; 125.12, by adding a subdivision; 125.17, by adding a subdivision; 126.12, subdivision 2; 126.22, by adding a subdivision; 127.46; 128A.09, subdivision 2, and by adding a subdivision; 128C.01, subdivision 4; 128C.02, by adding a subdivision; 134.34, subdivision 1, and by adding a subdivision; 136C.69, subdivision 3; 136D.75; 182.666, subdivision 6; 275.125, subdivision 10, and by adding subdivisions; Minnesota Statutes 1991 Supplement, sections 120.062, subdivision 8a; 120.064, subdivision 4; 120.17, subdivisions 3b, 7a, and 11a; 120.181; 121.585, subdivision 3; 121.831; 121.904, subdivisions 4a and 4e; 121.912, subdivision 6; 121.932, subdivisions 2 and 5; 121.935, subdivisions 1 and 6; 122.22, subdivision 9; 122.23, subdivision 2; 122.242, subdivision 9; 122.243, subdivision 2; 122.531, subdivision 4a; 123.3514, subdivisions 4 and 11; 123.702, subdivisions 1, 1a, and 1b; 124.155, subdivision 2; 124.19, subdivisions 1, 1b, and 7; 124.195, subdivision 2; 124.214, subdivisions 2 and 3; 124.2601, subdivision 6; 124.2721, subdivision 3b; 124.2727, subdivision 6, and by adding subdivisions; 124.479; 124.493, subdivision 3; 124.646, subdivision 4; 124.83, subdivision 1; 124.95, subdivisions 1, 2, 3, 4, 5, and by adding a subdivision; 124A.03, subdivisions 1c, 2, 2a, and by adding a subdivision; 124A.23, subdivisions 1 and 4; 124A.24; 124A.26, subdivision 1; 124A.29, subdivision 1; 125.185, subdivisions 4 and 4a; 125.62, subdivision 6; 126.70; 135A.03, subdivision 3a; 136D.22, subdivision 3; 136D.71, subdivision 2; 136D.76, subdivision 2; 136D.82, subdivision 3; 245A.03, subdivision 2; 275.065, subdivision 1; 275.125,

subdivisions 6j and 11g; 364.09; and 373.42, subdivision 2; Laws 1990, chapter 366, section 1, subdivision 2; Laws 1991, chapter 265, articles 3, section 39, subdivision 16; 4, section 30, subdivision 11; 5, sections 18, 23, and 24, subdivision 4; 6, sections 64, subdivision 6, 67, subdivision 3, and 68; 7, sections 37, subdivision 6, 41, subdivision 4, and 44; 8, sections 14 and 19, subdivision 6; and 9, sections 75 and 76; proposing coding for new law in Minnesota Statutes, chapters 123; 124; 124C; and 135A; repealing Minnesota Statutes 1990, sections 121.25; 121.26; 121.27; 121.28; 122.23, subdivisions 16a and 16b; 124.274; 125.03, subdivision 5; 128A.022, subdivision 5; 134.34, subdivision 2; 136D.74, subdivision 3; 136D.76, and subdivision 3; Minnesota Statutes 1991 Supplement, sections 121.935, subdivisions 7 and 8; 123.35, subdivision 19; 124.2721, subdivisions 5a and 5b; 124.2727, subdivisions 1, 2, 3, 4, and 5; and 136D.90, subdivision 2; Laws 1990, chapters 562, article 12; 604, article 8, section 12; and 610, article 1, section 7, subdivision 4; and Laws 1991, chapter 265, article 9, section 73.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

S. F. Nos. 2509, 2732 and 2746.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 2509, A bill for an act relating to motor fuels; weights and measures; regulating octane and oxygenated fuels; amending Minnesota Statutes 1990, sections 41A.09, subdivision 2, and by adding a subdivision; 239.75; 239.79; 239.80; 296.01, subdivisions 1, 2, 3, 4, 4a, 4b, 15, 24, and by adding subdivisions; 296.02, subdivisions 1, 2, and 7; Minnesota Statutes 1991 Supplement, section 239.05, subdivision 1, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 239; repealing Minnesota Statutes 1990, sections 239.75, subdivisions 3 and 4; 239.76, as amended; 239.79, subdivisions 1 and 2; 296.01, subdivision 2a; and 325E.09.

The bill was read for the first time.

Heir moved that S. F. No. 2509 and H. F. No. 2723, now on General

Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2732, A bill for an act relating to public health; providing for the reporting and monitoring of certain licensed health care workers who are infected with the human immunodeficiency virus or hepatitis B virus; authorizing rulemaking for certain health-related licensing boards; providing penalties; amending Minnesota Statutes 1990, sections 144.054; 144.55, subdivision 3; 147.091, subdivision 1; 148.261, subdivision 1; 150A.08, subdivision 1; 153.19, subdivision 1; and 214.12; proposing coding for new law in Minnesota Statutes, chapters 150A; and 214.

The bill was read for the first time.

Bishop moved that S. F. No. 2732 and H. F. No. 2050, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2746, A bill for an act relating to occupations and professions; board of accountancy; establishing procedures for the board to carry out disciplinary proceedings; providing penalties; amending Minnesota Statutes 1990, section 326.211, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1990, sections 326.23; and 326.231.

The bill was read for the first time.

Milbert moved that S. F. No. 2746 and H. F. No. 2813, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2884:

Rest, Sarna and Bauerly.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2111:

Jaros, Bishop and Hasskamp.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2194:

Pugh, Milbert and Abrams.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2499:

Munger, Lourey and Koppendrayer.

SPECIAL ORDERS

Welle moved that the remaining bills on Special Orders for today be continued. The motion prevailed.

GENERAL ORDERS

Welle moved that the bills on General Orders for today be continued. The motion prevailed.

MOTIONS AND RESOLUTIONS

Schreiber moved that his name be stricken as an author on H. F. No. 57. The motion prevailed.

Dempsey moved that his name be stricken as an author on H. F. No. 57. The motion prevailed.

Simoneau and Greenfield introduced:

House Concurrent Resolution No. 15, A house concurrent resolution urging certain committees of the House of Representatives and the Senate to conduct an evaluation of funding for community action agency programs.

The concurrent resolution was referred to the Committee on Health and Human Services.

Murphy moved that H. F. No. 443 be returned to its author. The motion prevailed.

Wejcman moved that H. F. No. 2193 be returned to its author. The motion prevailed.

Jennings moved that H. F. No. 2910 be returned to its author. The motion prevailed.

NOTICE FOR SPECIAL ORDER

Pursuant to House rule 1.09, Sviggum gave notice that on Thursday, April 16, 1992, he will move to make the following bill a Special Order for 4:00 p.m., Thursday, April 16, 1992:

H. F. No. 176, A resolution memorializing the Congress of the United States to propose an amendment to the United States Constitution, for ratification by the states, specifying that Congress and the states shall have the power to prohibit the physical desecration of the flag of the United States.

ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 12:00 noon, Wednesday, April 15, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Wednesday, April 15, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives