

STATE OF MINNESOTA
SEVENTY-EIGHTH SESSION -- 1993

THIRTY-NINTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, APRIL 20, 1993

The House of Representatives convened at 1:00 p.m. and was called to order by Gerald J. Jerry Bauerly, Speaker pro tempore.

Prayer was offered by the Reverend Dr. Donald M. Meisel, House Chaplain.

The roll was called and the following members were present:

Abrams	Dauner	Haukoos	Krinkie	Murphy	Pugh	Tomassoni
Anderson, I.	Davids	Hausman	Krueger	Neary	Reding	Tompkins
Anderson, R.	Dawkins	Holsten	Lasley	Nelson	Rest	Trimble
Asch	Dehler	Hugoson	Leppik	Ness	Rhodes	Tunheim
Battaglia	Delmont	Huntley	Lieder	Olson, E.	Rice	Van Dellen
Bauerly	Dempsey	Jacobs	Limner	Olson, K.	Rodosovich	Vellenga
Beard	Dorn	Jaros	Lindner	Olson, M.	Rukavina	Vickerman
Bergson	Erhardt	Jefferson	Lourey	Onnen	Sarna	Wagenius
Bertram	Evans	Jennings	Luther	Opatz	Seagren	Waltman
Bettermann	Farrell	Johnson, A.	Lynch	Orenstein	Sekhon	Weaver
Bishop	Frerichs	Johnson, R.	Macklin	Orfield	Simoneau	Wejcmann
Blatz	Garcia	Johnson, V.	Mariani	Osthoff	Skoglund	Welle
Brown, C.	Girard	Kalis	McCollum	Ostrom	Smith	Wenzel
Brown, K.	Goodno	Kelley	McGuire	Ozment	Solberg	Winter
Carlson	Greenfield	Kelso	Milbert	Pauly	Sparby	Wolf
Carruthers	Greiling	Kinkel	Molnau	Pawlenty	Stanis	Worke
Clark	Gruenes	Klinzing	Morrison	Pelowski	Steensma	Workman
Commers	Gutknecht	Knickerbocker	Mosel	Perlt	Sviggum	
Cooper	Hasskamp	Koppendrayner	Munger	Peterson	Swenson	

A quorum was present.

Mahon was excused.

Long was excused until 1:50 p.m. Kahn was excused until 4:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelley 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. 96 and H. F. No. 534, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

McCollum moved that the rules be so far suspended that S. F. No. 96 be substituted for H. F. No. 534 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 441 and H. F. No. 535, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

McGuire moved that S. F. No. 441 be substituted for H. F. No. 535 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communication was received:

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

The Honorable Dee Long
Speaker of the House of Representatives

The Honorable Allan H. Spear
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993</i>	<i>Date Filed 1993</i>
371		Resolution No. 2	2:40 p.m. April 19	April 19
234		33	2:42 p.m. April 19	April 19

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 746, A bill for an act relating to motor vehicles; requiring vehicle owner to transfer certificate of title upon gaining ownership to motor vehicle; allowing registrar to research records before responding to phone request; amending Minnesota Statutes 1992, sections 168.10, subdivision 1; 168.34; and 168A.30, subdivision 2.

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

The report was adopted.

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

H. F. No. 805, A bill for an act relating to the environment; providing for the disposal of ash from incinerators operated by the Western Lake Superior Sanitary District; amending Minnesota Statutes 1992, section 458D.07, subdivision 3.

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

The report was adopted.

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

H. F. No. 863, A bill for an act relating to pollution control; modifying eligibility area for state financial assistance program for combined sewer overflow; amending Minnesota Statutes 1992, section 116.162, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [COMBINED SEWER OVERFLOW STUDY; CITY OF RED WING.]

The commissioner of the pollution control agency shall study the feasibility and cost of including the city of Red Wing in the combined sewer overflow program under Minnesota Statutes, section 116.162. The commissioner shall report the findings of the study to the legislature by January 15, 1994."

Delete the title and insert:

"A bill for an act relating to pollution control; requiring a study of the feasibility of including the city of Red Wing in the state financial assistance program for combined sewer overflow."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1068, A bill for an act relating to natural resources; regulating various phases of the operation of aquatic farms, quarantine facilities, and private fish hatcheries within the state; providing penalties; amending Minnesota Statutes 1992, sections 17.4982, subdivision 8; 17.4983, subdivision 2; 17.4984, subdivision 2; 17.4985, subdivisions 2 and 3; 17.4986, subdivision 2; 17.4991, subdivision 4; 17.4992, subdivision 3; 97C.203; 97C.515, subdivision 4; and 97C.525, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 17.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 17.4982, subdivision 1, is amended to read:

Subdivision 1. [SCOPE.] The definitions in this section apply to sections 17.4981 to ~~17.4997~~ 17.4998.

Sec. 2. Minnesota Statutes 1992, section 17.4982, is amended by adding a subdivision to read:

Subd. 2a. [AQUACULTURE THERAPEUTICS.] "Aquaculture therapeutics" means drugs, medications, and disease control chemicals that are approved for aquaculture use by the United States Food and Drug Administration or the United States Environmental Protection Agency.

Sec. 3. Minnesota Statutes 1992, section 17.4982, subdivision 8, is amended to read:

Subd. 8. [CONTAINMENT FACILITY.] "Containment facility" means a licensed facility for salmonids or catfish that complies with clauses (1), (3), and (4), or clauses (2), (3), and (4):

~~(1) disinfects its effluent to the standards in section 17.4991 before the effluent is discharged to public waters, if the facility contains catfish and discharges into or upstream of waters containing catfish or if the facility contains salmonids and discharges into or upstream of waters containing salmonids;~~

(2) does not discharge to public waters or to waters of the state directly connected to public waters;

(3) raises aquatic life for food consumption only;

(4) contains aquatic life requiring a fish health inspection prior to transportation.

Sec. 4. Minnesota Statutes 1992, section 17.4983, subdivision 2, is amended to read:

Subd. 2. [ACQUISITION FROM STATE.] (a) The commissioner may sell aquatic life to licensed facilities at fair wholesale market value. Fair wholesale market value must be determined by the average market price charged in this state and contiguous states and provinces for similar quantities.

(b) The commissioner shall establish procedures to make aquatic life available to licensed facilities if state aquatic life would otherwise die or go to waste, such as in cases of winterkill lakes, waters where piscicides will be applied, and waters subject to extreme draw-down. The public must be given angling opportunities if public access is available.

(c) The commissioner shall attempt to provide opportunities to make brood stock available to licensed facilities to reduce reliance on out-of-state sources without causing adverse impacts to game fish populations.

(d) If the commissioner denies approval to obtain aquatic life outside the state, a written notice must be submitted to the applicant stating the reasons for denial, and the commissioner shall:

(1) designate approved sources if available to obtain the desired aquatic life; or

(2) sell the aquatic life from state hatcheries at fair wholesale market value if there is a surplus from state operations.

Sec. 5. Minnesota Statutes 1992, section 17.4984, subdivision 2, is amended to read:

Subd. 2. [LISTED WATERS.] (a) An aquatic farm license must list:

(1) the specific waters of the state that may be used in connection with the licensed aquatic farm and the species approved for each licensed water; and

(2) whether aeration requiring a permit is approved; ~~and~~

~~(3) whether piscicide use is approved.~~

Additional waters may not be used until they are approved by the commissioner.

(b) The right to use waters licensed for private fish hatchery or aquatic farm purposes may be transferred between licensees with prior approval by the commissioner if requirements for species to be raised are met. Waters that are continually connected by a permanent watercourse to other waters must not be approved for aquatic farm use, except that connected waters that are isolated from other waters may be licensed as a single water body. Waters that are

intermittently connected or may become connected with other waters may be denied, or screening or other measures may be required to prevent passage of aquatic life. Listed waters may be changed on approval by the area fisheries supervisor or the commissioner.

(c) The commissioner shall conduct an inspection of waters to be licensed prior to approving or denying initial licensing of the waters.

(d) Waters containing game fish of significant public value may be denied licensing unless the applicant can demonstrate exclusive riparian control.

(e) Waters containing game fish of significant public value may be denied licensing unless the game fish of significant public value are sold to the licensee, removed for other state use by the department of natural resources, or disposed of as provided in writing by the commissioner.

(f) Waters licensed under an aquatic farm license may be aerated during open water periods without a separate aeration permit.

Sec. 6. Minnesota Statutes 1992, section 17.4985, subdivision 2, is amended to read:

Subd. 2. [BILL OF LADING.] (a) A person may transport aquatic life except salmonids or catfish with a completed bill of lading for:

(1) intrastate transportation of aquatic life between licensed private fish hatcheries, aquatic farms, or aquarium facilities licensed for the same species and of the proper classification for the aquatic life if the aquatic life is being transported into a watershed where it is not currently present or if the original source of the aquatic life is outside Minnesota and contiguous states; and

(2) stocking of waters other than public waters.

(b) ~~When aquatic life is transported between licensed private fish hatcheries, aquatic farms, or aquarium facilities~~ under paragraph (a), a copy of the bill of lading must be submitted to the regional fisheries manager:

~~(1) at least 72 hours before the transportation if species transported into a watershed are not found in it, or have their original source outside Minnesota and contiguous states; or~~

~~(2) within 30 days in cases not covered by clause (1).~~

~~(c) A bill of lading is also required at least 72 hours before any transportation between licensed waters of the same licensee if species transported into a watershed are not found in it, or have their original source outside Minnesota and contiguous states.~~

(d) For transportation and stocking of waters that are not public waters:

(1) a bill of lading must be submitted to the regional fisheries manager 72 hours before transporting fish for stocking;

(2) a bill of lading must be submitted to the regional fisheries manager within five days after stocking if the waters to be stocked are confirmed by telecopy or telephone prior to stocking by the regional fisheries office not to be public waters; or

(3) a completed bill of lading may be submitted to the regional fisheries office by telecopy prior to transporting fish for stocking. Confirmation that the waters to be stocked are not public waters may be made by returning the bill of lading by telecopy or in writing, in which cases additional copies need not be submitted to the department of natural resources.

(e) ~~(d)~~ Bill of lading forms may only be issued by the department of natural resources in St. Paul, and new bill of lading forms may not be issued until all previously issued forms have been returned.

Sec. 7. Minnesota Statutes 1992, section 17.4985, subdivision 3, is amended to read:

Subd. 3. [EXEMPTIONS FOR TRANSPORTATION PERMITS AND BILLS OF LADING.] (a) A bill of lading or transportation permit is not required by an aquatic farm licensee for importation, transportation, or export for the following:

- (1) minnows taken under an aquatic farm license in this state and transported intrastate;
- (2) aquarium or ornamental fish including goldfish and tropical, subtropical, and saltwater species that cannot survive in the waters of the state, which may be imported or transported if accompanied by shipping documents;
- (3) fish or fish eggs that have been processed for use as food, bait, or other purposes unrelated to fish propagation;
- (4) live fish, except salmonids and catfish, from a licensed aquatic farm, which may be transported directly to an outlet for processing or for other food purposes if accompanied by shipping documents;
- (5) fish being exported if accompanied by shipping documents;
- (6) sucker eggs, sucker fry, or fathead minnows transported intrastate for bait propagation or feeding of cultural aquatic life;
- (7) species of fish that are found within the state used in connection with public shows, exhibits, demonstrations, or fishing pools for periods not exceeding 14 days; or

(8) transfer of aquatic life between licensed waters of the same licensee intrastate transportation of aquatic life between licensed private fish hatcheries, aquatic farms, or aquarium facilities licensed for the same species and of the proper facility classification for the aquatic life, except where required in subdivision 2 and except that salmonids and catfish may only be transferred or transported intrastate without a transportation permit if they had no record of bacterial kidney disease at the time they were imported into the state and if the most recent fish health inspection since importation has shown no certifiable diseases to be present.

Aquatic life being transferred between licensed private fish hatcheries, aquatic farms, or aquarium facilities must be accompanied by shipping documents and salmonids and catfish being transferred or transported intrastate without a transportation permit must be accompanied by a copy of their most recent fish health inspection.

(b) Shipping documents required under paragraph (a) must show the place of origin, owner or consignee, destination, number, and species.

Sec. 8. Minnesota Statutes 1992, section 17.4986, subdivision 2, is amended to read:

Subd. 2. [LICENSED FACILITIES.] (a) The commissioner shall issue transportation permits to import:

- (1) indigenous and naturalized species except trout, salmon, and catfish from any source to a standard facility;
- (2) trout, salmon, and catfish from a nonemergency disease area to a containment facility if the fish are certified within the previous year to be free of certifiable diseases, except that eggs with enteric redmouth, whirling disease, or furunculosis may be imported following treatment approved by the commissioner, and fish with bacterial kidney disease may be imported into areas where the disease has been previously introduced; and
- (3) trout, salmon, and catfish from a facility in a nonemergency disease area with a disease-free history of three years or more to a standard facility, except that eggs with enteric redmouth, whirling disease, or furunculosis may be imported following treatment approved by the commissioner, and fish with bacterial kidney disease may be imported into areas where the disease has been previously introduced.

(b) If a source facility in ~~an emergency~~ a nonemergency disease area cannot demonstrate a history free from disease, aquatic life may only be imported into a quarantine facility.

Sec. 9. Minnesota Statutes 1992, section 17.4986, is amended by adding a subdivision to read:

Subd. 4. [DISEASE-FREE HISTORY.] When disease-free histories of more than one year are required for importing salmonids or catfish, the disease history must be of consecutive years that include the year previous to, or the year of, the transportation request.

Sec. 10. Minnesota Statutes 1992, section 17.4991, subdivision 3, is amended to read:

Subd. 3. [FISH HEALTH INSPECTION.] (a) An aquatic farm propagating trout, salmon, or catfish and having an effluent discharge from the aquatic farm into public waters must have an annual fish health inspection conducted by a certified fish health inspector. Testing must be conducted according to approved laboratory methods.

(b) A health inspection fee must be charged based on each lot of fish sampled. The fee by check or money order payable to the department of natural resources must be prepaid or paid at the time a bill or notice is received from the commissioner that the inspection and processing of samples is completed.

(c) Upon receipt of payment and completion of inspection, the commissioner shall notify the operator and issue a fish health certificate. The certification must be made according to the Fish Health Blue Book by a person certified as a fish health inspector.

(d) All aquatic life in transit or held at transfer stations within the state may be inspected by the commissioner. This inspection may include the collection of stock for purposes of pathological analysis. Sample size necessary for analysis will follow guidelines listed in the Fish Health Blue Book.

(e) Salmonids and catfish must have a fish health inspection before being transported from a containment facility, unless the fish are being transported directly to an outlet for processing or other food purposes or unless the commissioner determines that an inspection is not needed. A fish health inspection conducted for this purpose need only be done on the lot or lots of fish that will be transported. The commissioner must conduct a fish health inspection requested for this purpose within five working days of receiving written notice. Salmonids and catfish may be immediately transported from a containment facility to another containment facility once a sample has been obtained for a health inspection or once the five-day notice period has expired.

Sec. 11. Minnesota Statutes 1992, section 17.4991, subdivision 4, is amended to read:

Subd. 4. [EMERGENCY DISEASE DETERMINATION.] If emergency diseases exist, the commissioner may order the fish aquatic life in the facility to be impounded, confiscated, sold, or destroyed and the facility disinfected. The commissioner shall make every effort to allow disposed fish aquatic life to be sold for market if there is no imminent danger of a significant adverse impact on natural fish populations ~~or human health~~ or of escape of the pathogen to public waters.

Sec. 12. Minnesota Statutes 1992, section 17.4991, is amended by adding a subdivision to read:

Subd. 5. [AQUACULTURE THERAPEUTICS REGISTRATION.] (a) Aquaculture therapeutics must be registered and labeled in accordance with rules adopted by the commissioner of agriculture relating to drugs and feed additives.

(b) The department of agriculture may not require registration of those aquaculture therapeutics designated as low regulatory priority by the United States Food and Drug Administration.

Sec. 13. Minnesota Statutes 1992, section 17.4992, subdivision 3, is amended to read:

Subd. 3. [ACQUISITION OF FISH FOR BROOD STOCK.] Game fish brood stock may be sold to private fish hatcheries or aquatic farms by the state at fair wholesale market value. As a one-time purchase for brood stock development, up to 20 pair of adults may be provided, if available, by the state through normal operations.

Sec. 14. Minnesota Statutes 1992, section 17.4995, is amended to read:

17.4995 [RECEIPTS TO THE GAME AND FISH FUND DEPARTMENT OF NATURAL RESOURCES.]

Money received by the state under sections 17.4981 to 17.4997 must be deposited in the state treasury and credited to the game and fish fund and is appropriated to the commissioner for fisheries purposes.

Sec. 15. [17.4998] [VIOLATIONS; PENALTY.]

Unless a different penalty is prescribed, a violation of a provision of sections 17.4981 to 17.4997 or a rule of the commissioner governing the operation of an aquatic farm, private fish hatchery, or quarantine facility is a misdemeanor.

Sec. 16. Minnesota Statutes 1992, section 18B.26, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) A person may not use or distribute a pesticide in this state unless it is registered with the commissioner. ~~Aquaculture therapeutics shall be registered and labeled in the same manner as pesticides.~~ Pesticide registrations expire on December 31 of each year and may be renewed on or before that date for the following calendar year.

(b) Registration is not required if a pesticide is shipped from one plant or warehouse to another plant or warehouse operated by the same person and used solely at the plant or warehouse as an ingredient in the formulation of a pesticide that is registered under this chapter.

(c) An unregistered pesticide that was previously registered with the commissioner may be used only with the written permission of the commissioner.

(d) Each pesticide with a unique United States Environmental Protection Agency pesticide registration number or a unique brand name must be registered with the commissioner.

Sec. 17. Minnesota Statutes 1992, section 97C.203, is amended to read:

97C.203 [DISPOSAL OF STATE HATCHERY EGGS OR FRY.]

The commissioner shall dispose of game fish eggs and fry according to the following order of priorities:

(1) distribution of fish eggs and fry to state hatcheries to hatch fry or raise fingerlings for stocking waters of the state for recreational fishing; and

(2) sale of fish eggs and fry to private fish hatcheries or licensed aquatic farms ~~to hatch fry or raise fingerlings to stock waters of this state with fingerlings for recreational fishing~~ at a price not less than the wholesale fair market value, established as the average price charged at the state's private hatcheries and contiguous states per volume rates; and

(3) ~~sale at fair market value, established as the average price charged at the state's private sources and contiguous states per volume rates of fish eggs and fry to private fish hatcheries and aquatic farms to hatch fry or raise fingerlings for sale.~~

Sec. 18. Minnesota Statutes 1992, section 97C.515, subdivision 4, is amended to read:

Subd. 4. [PRIVATE FISH HATCHERY OR AQUATIC FARM.] A person with a private fish hatchery or aquatic farm license may transport minnows from contiguous states to the private fish hatchery or aquatic farm, provided the minnows are used for processing or feeding hatchery fish. The commissioner may require inspection of minnows transported from outside the state.

Sec. 19. Minnesota Statutes 1992, section 97C.525, subdivision 3, is amended to read:

Subd. 3. [MINNOW DEALERS AND HAULERS.] A resident minnow dealer or a nonresident exporting minnow hauler may transport ~~leeches, suckers, and fathead~~ minnows out of the state. A nonresident exporting minnow hauler must possess a bill of lading issued by a minnow dealer with an exporting minnow dealer's license. The bill of lading must be on a form furnished by the commissioner and must state the exporting minnow hauler's name and address, the route through the state, number and species of minnows, and the time it was issued."

Delete the title and insert:

"A bill for an act relating to natural resources; modifying provisions relating to aquaculture; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 17.4982, subdivisions 1, 8, and by adding a subdivision; 17.4983, subdivision 2; 17.4984, subdivision 2; 17.4985, subdivisions 2 and 3; 17.4986, subdivision 2, and by adding a subdivision; 17.4991, subdivisions 3, 4, and by adding a subdivision; 17.4992, subdivision 3; 17.4995; 18B.26, subdivision 1; 97C.203; 97C.515, subdivision 4; and 97C.525, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 17."

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1122, A bill for an act relating to transportation; prohibiting parking in transit stops marked with a handicapped sign; establishing priority for transit in energy emergencies; requiring motor vehicles to yield to transit buses entering traffic; amending Minnesota Statutes 1992, sections 169.01, by adding a subdivision; 169.20, by adding a subdivision; 169.346, subdivision 1; and 216C.15, subdivision 1.

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

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1205, A bill for an act relating to courts; making the housing calendar consolidation projects in the second and fourth judicial districts permanent law; providing that the law requiring that fines collected for violations of building repair orders must be used for the housing calendar consolidation projects is permanent; amending Laws 1989, chapter 328, article 2, section 17; repealing Laws 1989, chapter 328, article 2, sections 18 and 19.

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

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1286, A bill for an act relating to commerce; regulating prize notices; requiring certain disclosures by solicitors; providing for reimbursement in certain cases; providing penalties and remedies; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1294, A bill for an act relating to medical assistance; increasing asset allowances; removing the 30-month limitation on prohibited transfers for medical assistance eligibility; requiring the commissioner of human services to seek necessary federal law changes or waivers; providing for medical assistance liens on real property; appropriating money; amending Minnesota Statutes 1992, sections 256B.059, subdivisions 3 and 5; 256B.0595, subdivisions 1, 2, 3, and 4; and 256B.15, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 514.

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

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1317, A bill for an act relating to health-related occupations; requiring hearing instrument dispensers to be certified by the commissioner of health; requiring holders of temporary hearing instrument dispensing permits to be supervised by certified hearing instrument dispensers; authorizing rulemaking; authorizing cease and desist orders; providing for penalties; amending Minnesota Statutes 1992, sections 153A.13, subdivisions 4 and 5; 153A.14; 153A.15; 153A.17; proposing coding for new law in Minnesota Statutes, chapter 214.

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

The report was adopted.

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

H. F. No. 1402, A bill for an act relating to natural resources; amending requirements to mitigate wetlands; adding exemptions; extending interim rules; amending Minnesota Statutes 1992, sections 103G.222; 103G.2241; 103G.2242, subdivisions 1 and 2; 103G.2369, subdivision 2; and Laws 1991, chapter 354, article 7, section 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 103G.222, is amended to read:

103G.222 [REPLACEMENT OF WETLANDS.]

(a) After the effective date of the rules adopted under section 103B.3355 or 103G.2242, whichever is later, wetlands must not be drained or filled, wholly or partially, unless replaced by restoring or creating wetland areas of at least equal public value under either a replacement plan approved as provided in section 103G.2242 or, if a permit to mine is required under section 93.481, under a mining reclamation plan approved by the commissioner under the permit to mine. Mining reclamation plans shall apply the same principles and standards for replacing wetlands by restoration or creation of wetland areas that are applicable to mitigation plans approved as provided in section 103G.2242.

(b) Replacement must be guided by the following principles in descending order of priority:

- (1) avoiding the direct or indirect impact of the activity that may destroy or diminish the wetland;
- (2) minimizing the impact by limiting the degree or magnitude of the wetland activity and its implementation;
- (3) rectifying the impact by repairing, rehabilitating, or restoring the affected wetland environment;
- (4) reducing or eliminating the impact over time by preservation and maintenance operations during the life of the activity; and
- (5) compensating for the impact by replacing or providing substitute wetland resources or environments.

(c) If a wetland is located in a cultivated field, then replacement must be accomplished through restoration only without regard to the priority order in paragraph (b), provided that a deed restriction is placed on the altered wetland prohibiting nonagricultural use for at least ten years.

(d) Restoration and replacement of wetlands must be accomplished in accordance with the ecology of the landscape area affected.

(e) Replacement shall be within the same watershed or county as the impacted wetlands, as based on the wetland evaluation in section 103G.2242, subdivision 2, except that counties or watersheds in which 80 percent or more of the presettlement wetland acreage is intact may accomplish replacement in counties or watersheds in which 50 percent or more of the presettlement wetland acreage has been filled, drained, or otherwise degraded. Wetlands impacted by public transportation projects may be replaced statewide, provided they are approved by the commissioner under an established wetland banking system, or under the rules for wetland banking as provided for under section 103G.2242.

(f) Except as provided in paragraph (g), for a wetland located on nonagricultural land, replacement must be in the ratio of two acres of replaced wetland for each acre of drained or filled wetland.

(g) For a wetland located on agricultural land or in counties or watersheds in which 80 percent or more of the presettlement wetland acreage exists, replacement must be in the ratio of one acre of replaced wetland for each acre of drained or filled wetland.

(h) Wetlands that are restored or created as a result of an approved replacement plan are subject to the provisions of this section for any subsequent drainage or filling.

(i) Except in counties or watersheds where 80 percent or more of the presettlement wetlands are intact, only wetlands that have been restored from previously drained or filled wetlands, wetlands created by excavation in nonwetlands, wetlands created by dikes or dams along public or private drainage ditches, or wetlands created by dikes or dams associated with the restoration of previously drained or filled wetlands may be used in a statewide banking program established in rules adopted under section 103G.2242, subdivision 1. Modification or conversion of nondegraded, naturally occurring wetlands from one type to another are not eligible for enrollment in a statewide wetlands bank.

(j) The technical evaluation panel established under section 103G.2242, subdivision 2, shall ensure that sufficient time has occurred for the wetland to develop wetland characteristics of soils, vegetation, and hydrology before recommending that the wetland be deposited in the statewide wetland bank. If the technical evaluation panel has reason to believe that the wetland characteristics may change substantially, the panel must postpone its recommendations until the wetland has stabilized.

Sec. 2. Minnesota Statutes 1992, section 103G.2241, is amended to read:

103G.2241 [EXEMPTIONS.]

~~Subdivision 1. [EXEMPTIONS.]~~ (a) Subject to the conditions in paragraph (b), a replacement plan for wetlands is not required for:

(1) activities in a wetland that was planted with annually seeded crops, was in a crop rotation seeding of pasture grasses or legumes, or was required to be set aside to receive price support or other payments under United States Code, title 7, sections 1421 to 1469, in six of the last ten years prior to January 1, 1991;

(2) activities in a wetland that is or has been enrolled in the federal conservation reserve program under United States Code, title 16, section 3831, that:

(i) was planted with annually seeded crops, was in a crop rotation seeding, or was required to be set aside to receive price support or payment under United States Code, title 7, sections 1421 to 1469, in six of the last ten years prior to being enrolled in the program; and

(ii) has not been restored with assistance from a public or private wetland restoration program;

(3) activities necessary to repair and maintain existing public or private drainage systems as long as wetlands that have been in existence for more than 20 years are not drained;

(4) activities in a wetland that has received a commenced drainage determination provided for by the federal Food Security Act of 1985, that was made to the county agricultural stabilization and conservation service office prior to September 19, 1988, and a ruling and any subsequent appeals or reviews have determined that drainage of the wetland had been commenced prior to December 23, 1985;

- (5) activities exempted from federal regulation under United States Code, title 33, section 1344(f);
- (6) activities authorized under, and conducted in accordance with, an applicable general permit issued by the United States Army Corps of Engineers under section 404 of the federal Clean Water Act, United States Code, title 33, section 1344, except the nationwide permit in Code of Federal Regulations, title 33, section 330.5, paragraph (a), clause (14), limited to when a new road crosses a wetland, and all of clause (26);
- (7) activities in a type 1 wetland on agricultural land, as defined in United States Fish and Wildlife Circular No. 39 (1971 edition) except for bottomland hardwood type 1 wetlands;
- (8) activities in a type 2 wetland that is two acres in size or less located on agricultural land;
- (9) activities in a wetland restored for conservation purposes under a contract or easement providing the landowner with the right to drain the restored wetland;
- (10) activities in a wetland created solely as a result of:
 - (i) beaver dam construction;
 - (ii) blockage of culverts through roadways maintained by a public or private entity;
 - (iii) actions by public entities that were taken for a purpose other than creating the wetland; or
 - (iv) any combination of (i) to (iii);
- (11) placement, maintenance, repair, enhancement, or replacement of utility or utility-type service, including the transmission, distribution, or furnishing, at wholesale or retail, of natural or manufactured gas, electricity, telephone, or radio service or communications if:
 - (i) the impacts of the proposed project on the hydrologic and biological characteristics of the wetland have been avoided and minimized to the extent possible; and
 - (ii) the proposed project significantly modifies or alters less than one-half acre of wetlands;
- (12) activities associated with routine maintenance of utility and pipeline rights-of-way, provided the activities do not result in additional intrusion into the wetland;
- (13) alteration of a wetland associated with the operation, maintenance, or repair of an interstate pipeline;
- (14) temporarily crossing or entering a wetland to perform silvicultural activities, including timber harvest as part of a forest management activity, so long as the activity limits the impact on the hydrologic and biologic characteristics of the wetland; the activities do not result in the construction of dikes, drainage ditches, tile lines, or buildings; and the timber harvesting and other silvicultural practices do not result in the drainage of the wetland or public waters;
- (15) permanent access for forest roads across wetlands so long as the activity limits the impact on the hydrologic and biologic characteristics of the wetland; the construction activities do not result in the access becoming a dike, drainage ditch or tile line; with filling avoided wherever possible; and there is no drainage of the wetland or public waters;
- (16) activities associated with routine maintenance or repair of existing public highways, roads, streets, and bridges, provided the activities do not result in additional intrusion into the wetland ~~and do not result in the draining or filling, wholly or partially, of a wetland~~ outside of the existing right-of-way;
- (17) emergency repair and normal maintenance and repair of existing public works, provided the activity does not result in additional intrusion of the public works into the wetland and ~~do~~ does not result in the draining or filling, wholly or partially, of a wetland;
- (18) normal maintenance and minor repair of structures causing no additional intrusion of an existing structure into the wetland, and maintenance and repair of private crossings that do not result in the draining or filling, wholly or partially, of a wetland;

(19) duck blinds;

(20) ~~aquaculture activities, except building or altering of docks and activities involving the draining or filling, wholly or partially, of a wetland including pond excavation and associated access roads and dikes authorized under, and conducted in accordance with, a permit issued by the United States Army Corps of Engineers under section 404 of the federal Clean Water Act, United States Code, title 33, section 1344, but not including buildings;~~

(21) wild rice production activities, including necessary diking and other activities authorized under a permit issued by the United State Army Corps of Engineers under section 404 of the federal Clean Water Act, United States Code, title 33, section 1344;

(22) normal agricultural practices to control pests or weeds, defined by rule as either noxious or secondary weeds, in accordance with applicable requirements under state and federal law, including established best management practices;

(23) activities in a wetland that is on agricultural land annually enrolled in the federal Food, Agricultural, Conservation, and Trade Act of 1990, United States Code, title 16, section 3821, subsection (a), clauses (1) to (3), as amended, and is subject to sections 1421 to 1424 of the federal act in effect on January 1, 1991, except that land enrolled in a federal farm program is eligible for easement participation for those acres not already compensated under a federal program;

(24) development projects and ditch improvement projects in the state that have received preliminary or final plat approval, or infrastructure that has been installed, or having local site plan approval, conditional use permits, or similar official approval by a governing body or government agency, within five years before July 1, 1991. In the seven-county metropolitan area and in cities of the first and second class, plat approval must be preliminary as approved by the appropriate governing body.

(b) A person conducting an activity in a wetland under an exemption in paragraph (a) shall ensure that:

(1) appropriate erosion control measures are taken to prevent sedimentation of the water;

(2) the activity does not block fish passage in a watercourse; and

(3) the activity is conducted in compliance with all other applicable federal, state, and local requirements, including best management practices and water resource protection requirements established under chapter 103H.

Sec. 3. Minnesota Statutes 1992, section 103G.2242, subdivision 1, is amended to read:

Subdivision 1. [RULES.] (a) By ~~July 1~~ December 31, 1993, the board, in consultation with the commissioner, shall adopt rules governing the approval of wetland value replacement plans under this section. These rules must address the criteria, procedure, timing, and location of acceptable replacement of wetland values; may address the state establishment and administration of a wetland banking program for public and private projects, which may include provisions allowing monetary payment to the wetland banking program for alteration of wetlands on agricultural land; the methodology to be used in identifying and evaluating wetland functions; the administrative, monitoring, and enforcement procedures to be used; and a procedure for the review and appeal of decisions under this section. In the case of peatlands, the replacement plan rules must consider the impact on carbon balance described in the report required by Laws 1990, chapter 587, and include the planting of trees or shrubs.

(b) After the adoption of the rules, a replacement plan must be approved by a resolution of the governing body of the local government unit, consistent with the provisions of the rules.

(c) If the local government unit fails to apply the rules, the government unit is subject to penalty as determined by the board.

(d) Interim guidelines adopted by the board on December 18, 1991, shall continue in effect statewide through December 31, 1993.

Sec. 4. Minnesota Statutes 1992, section 103G.2242, subdivision 2, is amended to read:

Subd. 2. [EVALUATION.] Questions concerning the public value, location, size, or type of a wetland shall be submitted to and determined by a technical evaluation panel after an on-site inspection. The technical evaluation panel shall be composed of a technical professional employee of the board, a technical professional employee of the local soil and water conservation district or districts, and ~~an engineer for a~~ technical professional with expertise in water resources management appointed by the local government unit. The panel shall use the "Federal Manual for Identifying and Delineating Jurisdictional Wetlands" (January 1989). The panel shall provide the wetland determination to the local government unit that must approve a replacement plan under this section, and may recommend approval or denial of the plan. The authority must consider and include the decision of the technical evaluation panel in their approval or denial of a plan.

Sec. 5. Minnesota Statutes 1992, section 103G.2369, subdivision 2, is amended to read:

Subd. 2. [PROHIBITED ACTIVITIES.] (a) Except as provided in subdivision 3, until July 1, 1993, a person may not drain, ~~burn,~~ or fill a wetland.

(b) Except as provided in subdivision 3, until July 1, 1993, a state agency or local unit of government may not issue a permit for an activity prohibited in paragraph (a) or for an activity that would include an activity prohibited in paragraph (a).

Sec. 6. Laws 1991, chapter 354, article 7, section 2, is amended to read:

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective January 1, 1992, and is repealed ~~July~~ January 1, 1993 1994."

Delete the title and insert:

"A bill for an act relating to natural resources; amending requirements relating to replacement of wetlands; modifying exemptions; amending Minnesota Statutes 1992, sections 103G.222; 103G.2241; 103G.2242, subdivisions 1 and 2; 103G.2369, subdivision 2; and Laws 1991, chapter 354, article 7, section 2."

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

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1494, A bill for an act relating to the environment; imposing criminal penalties for knowing violations of air pollution requirements; amending Minnesota Statutes 1992, section 609.671, subdivisions 9 and 12.

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

The report was adopted.

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

H. F. No. 1499, A bill for an act relating to consumer protection; providing for training requirements for manual or mechanical therapy; requiring diagnosis of a person's condition before therapy; providing for rulemaking; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 146.

Reported the same back with the following amendments:

Page 1, line 13, after "person" insert "regulated under this chapter" and delete "provides" and insert "is not otherwise authorized to provide"

Page 1, line 16, delete "agency" and insert "board"

Page 2, delete lines 14 and 15 and insert:

"Subd. 5. [PENALTY.] A person who violates this section is subject to disciplinary action by the board that regulates the person's practice.

Subd. 6. [SCOPE OF PRACTICE.] Nothing in this section expands or limits the scope of practice of licensed physicians, registered physical therapists, or occupational therapists certified by the American Occupational Therapy Certification Board."

With the recommendation that when so amended the bill pass.

The report was adopted.

Rest from the Committee on Taxes to which was referred:

H. F. No. 1579, A bill for an act relating to public finance; changing procedures for allocating bonding authority; amending Minnesota Statutes 1992, sections 474A.047, subdivision 1; and 474A.061, subdivision 2a.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1992, section 462A.221, is amended by adding a subdivision to read:

Subd. 4. [METROPOLITAN AREA.] "Metropolitan area" has the meaning given it in section 473.121, subdivision 2.

Sec. 2. Minnesota Statutes 1992, section 462A.221, is amended by adding a subdivision to read:

Subd. 5. [SUBSTANTIAL REHABILITATION.] "Substantial rehabilitation" means rehabilitation of at least \$5,000 per unit.

Sec. 3. Minnesota Statutes 1992, section 462A.222, subdivision 3, is amended to read:

Subd. 3. [ALLOCATION PROCEDURE.] (a) Projects will be awarded tax credits in three competitive rounds on an annual basis. The date for applications for each round must be determined by the agency. No allocating agency may award tax credits prior to the application dates established by the agency.

(b) Each allocating agency must meet the requirements of section 42(m) of the Internal Revenue Code of 1986, as amended through December 31, 1989, for the allocation of tax credits and the selection of projects.

(c) For applications submitted for the first round, an allocating agency may allocate tax credits only to the following types of projects:

(1) in the metropolitan area:

(i) new construction or substantial rehabilitation single-room occupancy projects which are affordable by households whose income does not exceed 30 percent of the median income;

~~(2) (ii) new construction or substantial rehabilitation~~ family housing projects in which at least 75 percent of the units contain two or more bedrooms and at least one-third of the 75 percent contain three or more bedrooms;

~~(iii) substantial rehabilitation projects in neighborhoods targeted by the city for revitalization;~~

~~(2) outside the metropolitan area, projects which meet a locally identified housing need and which are in short supply in the local housing market as evidenced by credible data submitted with the application;~~

(3) projects in which a percentage of the units are set aside and rented to persons:

(i) with a serious and persistent mental illness as defined in section 245.462, subdivision 20, paragraph (c);

(ii) with a developmental disability as defined in United States Code, title 42, section 6001, paragraph (5), as amended through December 31, 1990;

(iii) who have been assessed as drug dependent persons as defined in section 254A.02, subdivision 5, and are receiving or will receive care and treatment services provided by an approved treatment program as defined in section 254A.02, subdivision 2;

(iv) with a brain injury as defined in section 256B.093, subdivision 4, paragraph (a); or

(v) with physical disabilities if at least 50 percent of the units are accessible as provided under Minnesota Rules, chapter 1340;

(4) projects which preserve existing subsidized housing which is subject to prepayment if the use of tax credits is necessary to prevent conversion to market rate use; or

(5) projects financed by the Farmers Home Administration which meet statewide distribution goals.

(d) Before the date for applications for the second round, the allocating agencies other than the agency shall return all uncommitted and unallocated tax credits to the pool from which they were allocated, along with copies of any allocation or commitment. In the second round, the agency shall allocate the remaining credits from the regional pools to projects from the respective regions.

(e) In the third round, all unallocated tax credits must be transferred to a unified pool for allocation by the agency on a statewide basis.

(f) Unused portions of the state ceiling for low-income housing tax credits reserved to cities and counties for allocation may be returned at any time to the agency for allocation."

Page 8, delete section 5 and insert:

"Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 3, 5, and 7 are effective the day following final enactment. Section 5 applies to mortgage bonds allocated on or after April 1, 1993."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "changing procedures for allocating tax credits;"

Page 1, line 4, after "sections" insert "462A.221, by adding subdivisions; 462A.222, subdivision 3;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1702, A bill for an act relating to the environment; providing protection from liability for releases of hazardous substances to lenders and owners for redevelopment of property under an approved cleanup plan; providing authority to issue "no-association determinations"; creating a pollution abatement loan and grant program in the department of trade and economic development; providing for loan repayment by municipalities; authorizing the issuance of bonds and the making of loans and grants; appropriating money; amending Minnesota Statutes 1992, section 115B.175, subdivision 6, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 115B; and 116J.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 115B.175, subdivision 4, is amended to read:

Subd. 4. [PERFORMANCE OF RESPONSE ACTIONS DOES NOT ASSOCIATE PERSONS WITH RELEASE.] Persons specified in subdivision 6 or 6a, paragraph (c), do not associate themselves with, or aggravate or contribute to, any release or threatened release identified in an approved voluntary response action plan for the purpose of section 115B.03, subdivision 3, paragraph (d), or subdivision 7, clause (1), of this section as a result of performance of the response actions required in accordance with the plan and the direction of the commissioner. This subdivision does not apply to a person specified in subdivision 7. Nothing in this section relieves a person of any liability for failure to exercise due care in performing a response action.

Sec. 2. Minnesota Statutes 1992, section 115B.175, is amended by adding a subdivision to read:

Subd. 6a. [VOLUNTARY RESPONSE ACTIONS BY RESPONSIBLE PERSONS.] (a) Notwithstanding subdivision 1, paragraph (a), when a person who is responsible for a release or threatened release under sections 115B.01 to 115B.18 undertakes and completes response actions, the protection from liability provided by this section applies to persons described in paragraph (c) if the response actions are undertaken and completed in accordance with this subdivision.

(b) The response actions must be undertaken and completed in accordance with a voluntary response action plan approved as provided in subdivision 3. Notwithstanding subdivision 2, a voluntary response action plan submitted by a person who is responsible for the release or threatened release must require remedy or removal of all releases and threatened releases at the identified area of real property. The identified area of real property must correspond to the boundaries of a parcel that is either separately platted or is the entire parcel.

(c) Subject to the provisions of subdivision 7, when the commissioner issues a certificate of completion under subdivision 5 for response actions completed at an identified area of real property in accordance with this subdivision, the liability protection under this section applies to:

(1) a person who acquires the identified real property after approval of the voluntary response action plan;

(2) a person providing financing for response actions or development at the identified real property after approval of the response action plan, whether the financing is provided to the person undertaking the response actions or other person who acquires or develops the property; and

(3) a successor or assign of a person to whom the liability protection applies under this paragraph.

Sec. 3. Minnesota Statutes 1992, section 115B.175, subdivision 7, is amended to read:

Subd. 7. [PERSONS NOT PROTECTED FROM LIABILITY.] The protection from liability provided by this section does not apply to:

(1) a person who aggravates or contributes to a release or threatened release that was not remedied under an approved voluntary response action plan;

(2) a person who was responsible under sections 115B.01 to 115B.18 for a release or threatened release identified in the approved voluntary response action plan before taking an action that would have made the person subject to the protection under subdivision 6 or 6a; or

(3) a person who obtains approval of a voluntary response action plan for purposes of this section by fraud or misrepresentation, or by knowingly failing to disclose material information, or who knows that approval was so obtained before taking an action that would have made the person subject to the protection under subdivision 6 or 6a.

Sec. 4. [115B.178] [ASSOCIATION WITH RELEASE; COMMISSIONER'S DETERMINATION.]

Subdivision 1. [DETERMINATION.] The commissioner may issue determinations that certain actions proposed to be taken at real property subject to a release or threatened release of a hazardous substance or pollutant or contaminant will not constitute conduct associating the person with the release or threatened release for the purpose of section 115B.03, subdivision 3, clause (d). Proposed actions that may be covered by a determination under this section include response actions approved by the commissioner to address the release or threatened release, actions to improve or develop the real property, or other similar actions. A determination may be subject to terms and conditions deemed reasonable by the commissioner. When a person takes actions in accordance with a determination issued under this subdivision, the actions do not associate the person with the release for the purpose of section 115B.03, subdivision 3, clause (d).

Subd. 2. [SCOPE AND EFFECT OF DETERMINATION.] Section 115B.177, subdivision 2, applies to a determination by the commissioner under this section.

Sec. 5. [115B.179] [COMMISSIONER'S AUTHORITY NOT LIMITED.]

The commissioner's authority to make a determination or enter into an agreement under section 115B.177 and to make a determination under section 115B.178 does not limit or preclude any other authority of the commissioner under any law."

Delete the title and insert:

"A bill for an act relating to the environment; providing protection from liability for releases of hazardous substances to lenders and owners for redevelopment of property under an approved cleanup plan; providing authority to issue determinations regarding association with a release; amending Minnesota Statutes 1992, section 115B.175, subdivisions 4, 7, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 115B."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Solberg from the Committee on Ways and Means to which was referred:

H. F. No. 1709, A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and other agencies with certain conditions; fixing and limiting accounts and fees; amending Minnesota Statutes 1992, sections 11A.21, subdivision 1; 161.081; 161.39, by adding a subdivision; 169.121, subdivision 7; 169.123, subdivision 5a; 171.02, subdivision 1; 171.06, subdivisions 2 and 4; 171.07, by adding a subdivision; 171.11; 171.22, subdivision 1; 174.02, by adding a subdivision; 296.02, subdivision 1a; 296.025, subdivision 1a; Laws 1992, chapter 513, article 3, section 77; repealing Minnesota Statutes 1992, sections 171.20, subdivision 1; 296.01, subdivision 4; and 296.026.

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

The report was adopted.

Solberg from the Committee on Ways and Means to which was referred:

H. F. No. 1727, A bill for an act relating to public administration; appropriating money for education and related purposes to the higher education coordinating board, state board of technical colleges, state board for community colleges, state university board, University of Minnesota, higher education board, and the Mayo medical foundation, with certain conditions; amending Minnesota Statutes 1992, sections 3.9741; 16A.127, subdivision 8; 126.56, subdivision 5; 135A.03, subdivision 7; 135A.06, subdivision 1; 135A.061; 136A.02, subdivisions 5, 6, and 7; 136A.04, subdivision 1; 136A.0411; 136A.08; 136A.101, subdivision 7; 136A.121, subdivisions 6 and 9; 136A.125, subdivision 3; 136A.1352, subdivisions 1 and 2; 136A.1353, subdivision 4; 136A.1354, subdivision 4; 136A.1701, subdivision 4, and by adding a subdivision; 136A.233; 136A.653, subdivision 1; 136A.69; 136A.87; 136C.15; 136C.61, subdivision 7; 136E.04, subdivision 3; 137.022, subdivision 3, and by adding a subdivision; 141.25, subdivision 8; 141.26, subdivisions 1 and 5; Laws 1990, chapter 591, article 3, section 10, as amended; Laws 1991, chapter 356, articles 6, section 4, as amended; and 9, section 8, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 136A; and 137; repealing Minnesota Statutes 1992, sections 135A.06, subdivisions 2, 3, 4, 5, and 6; 136A.121, subdivision 10; 136A.134; 136A.1352, subdivision 3; 136A.234; 136A.70; 136A.85; 136A.86; 136A.88; Laws 1991, chapter 356, article 8, section 23.

Reported the same back with the following amendments:

Page 2, delete line 12 and insert:

"119,157,000	125,401,000	244,558,000"
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Page 2, delete line 16 and insert:

"97,170,000	104,248,000	201,418,000"
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Page 2, line 32, delete "119,304,000" and insert "119,157,000" and delete "125,522,000" and insert "125,401,000"

Page 3, delete line 15 and insert:

"98,799,000	105,092,000"
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Page 3, delete line 58 and insert:

"10,303,000	10,304,000"
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Page 5, line 32, delete "97,036,000" and insert "97,170,000" and delete "104,114,000" and insert "104,248,000"

Page 5, line 39, delete "\$130,920,000" and insert "\$131,120,000"

Page 5, line 40, delete "\$140,782,000" and insert "\$140,982,000"

Page 5, delete lines 48 to 56 and insert:

"\$134,000 each year is for instructional costs to provide administrative and instructional support at the Anoka-Ramsey Community College extension center in Cambridge. The legislature intends that Cambridge continue to be operated as an extension center and not be developed into an independent college."

With the recommendation that when so amended the bill pass.

The report was adopted.

Solberg from the Committee on Ways and Means to which was referred:

H. F. No. 1737, A bill for an act relating to the organization and operation of state government; appropriating money for environmental, natural resources, and agricultural purposes; regulating the amounts, impositions, and processing of various fees prescribed for various licenses issued and activities regulated by various state departments; establishing a state recreation area; amending Minnesota Statutes 1992, sections 41A.09, subdivision 3; 84B.11, subdivision 1; 85.045, subdivision 2; 85.22, subdivision 2a; 86A.04; 86A.05, subdivisions 2 and 3; 86A.08, subdivision 1; 88.79, subdivision 2; 90.031, subdivision 4; 90.041, by adding a subdivision; 90.101, subdivision 1; 90.121; 90.201, by adding a subdivision; 92.46, subdivision 1; 94.165; 97A.441; 115A.90, by adding a subdivision; 115A.908, subdivisions 2 and 3; 115A.923, subdivision 1a; 116.07, by adding a subdivision; 116P.10; 473.351, subdivision 2; and 473.843, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 97A; and 115A; repealing Minnesota Statutes 1992, section 41A.09, subdivision 1.

Reported the same back with the following amendments:

Page 61, after line 26, insert:

"Sec. 30. [LAKE SUPERIOR DIVER ACCESS.]

The \$20,000 appropriated by Laws 1991, chapter 254, article 1, section 14, subdivision 3(h), for diver access at Split Rock Lighthouse state park shall be used for diver access at other areas along the north shore of Lake Superior."

Page 61, line 32, delete "and 28" and insert "28, and 30"

Renumber sections in sequence

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

S. F. No. 452, A bill for an act relating to civil commitment; clarifying time limitations for appeal under the civil commitment act; amending Minnesota Statutes 1992, section 253B.23, subdivision 7.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 746, 805, 863, 1068, 1122, 1205, 1286, 1317, 1494, 1499, 1579, 1709, 1727 and 1737 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 96, 441 and 452 were read for the second time.

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. 1407.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1407, A bill for an act relating to education; appropriating money for education and related purposes to the higher education coordinating board, state board of technical colleges, state board for community colleges, state university board, University of Minnesota, higher education board, and the Mayo medical foundation, with certain conditions; creating an instructional telecommunications network; providing for grants from the higher education coordinating board for regional linkages, regional coordination, courseware development and usage, and faculty training; authorizing the state board of community colleges to use higher education facilities authority revenue bonds to construct student residences; creating three accounts in the permanent university fund and making allocations from the accounts; providing tuition exemptions at technical colleges for Southwest Asia veterans; prescribing changes in eligibility and in duties and responsibilities for certain financial assistance programs; establishing grant programs to promote recruitment and retention initiatives by nurses training and teacher education programs directed toward persons of color; establishing grant programs for nursing students and students in teacher education programs who are persons of color; establishing an education to employment transitions system; amending Minnesota Statutes 1992, sections 136A.101, subdivisions 1 and 7; 136A.121, subdivision 9; 136A.1353, subdivision 4; 136A.1354, subdivision 4; 136A.15, subdivision 6; 136A.1701, subdivision 4; 136A.233, subdivisions 2 and 3; 136C.13, subdivision 4; 136C.61, subdivision 7; and 137.022, subdivision 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 136A; and 137; proposing coding for new law as Minnesota Statutes, chapter 126B; repealing Minnesota Statutes 1992, sections 136A.121, subdivision 17; and 136A.134.

The bill was read for the first time.

Rodosovich moved that S. F. No. 1407 and H. F. No. 1727, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Solberg requested immediate consideration of H. F. Nos. 427 and 1735.

H. F. No. 427, A bill for an act relating to taxation; making technical corrections and administrative changes to sales and use taxes, income and franchise taxes, property taxes, and tax administration and enforcement; changing penalties; appropriating money; amending Minnesota Statutes 1992, sections 82B.035, by adding a subdivision; 84.82, subdivision 10; 86B.401, subdivision 12; 270.071, subdivision 2; 270.072, subdivision 2; 271.06, subdivision 1; 271.09, subdivision 3; 272.02, subdivisions 1 and 4; 272.025, subdivision 1; 272.12; 273.03, subdivision 2; 273.061, subdivision 8; 273.124, subdivisions 9 and 13; 273.13, subdivision 25; 273.138, subdivision 5; 273.1398, subdivisions 1, 3, and 5b; 274.13, subdivision 1; 274.18; 275.065, subdivision 5a; 275.07, subdivisions 1 and 4; 275.28, subdivision 3; 275.295; 277.01, subdivision 2; 277.15; 277.17; 278.01, subdivision 1; 278.02; 278.03; 278.04; 278.08; 278.09; 287.21, subdivision 4; 287.22; 289A.08, subdivisions 3, 10, and 15; 289A.09, subdivision 1; 289A.11, subdivisions 1 and 3; 289A.12, subdivisions 2, 3, 4, 7, 8, 9, 10, 11, 12, and 14; 289A.18, subdivisions 1 and 4; 289A.20, subdivision 4; 289A.25, subdivisions 1, 2, 5a, 6, 8, 10, and 12; 289A.26, subdivisions 1, 4, and 6; 290A.04, subdivisions 1 and 2h; 296.14, subdivision 2; 297A.01,

subdivision 3; 297B.01, subdivision 5; 297B.03; 347.10; 348.04; 469.175, subdivision 5; and 473H.10, subdivision 3; Laws 1991, chapter 291, article 1, section 65, as amended; Laws 1992, chapter 511, article 2, section 61; proposing coding for new law in Minnesota Statutes, chapters 273; 289A; and 297; repealing Minnesota Statutes 1992, sections 60A.13, subdivision 1a; 273.49; 274.19; 274.20; 277.011; 289A.08, subdivisions 9 and 12; 297A.258; and 348.03.

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

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

Those who voted in the affirmative were:

Abrams	Davids	Hausman	Lasley	Nelson	Rest	Tunheim
Anderson, I.	Dawkins	Holsten	Leppik	Ness	Rhodes	Van Dellen
Anderson, R.	Dehler	Hugoson	Lieder	Olson, E.	Rice	Vellenga
Asch	Delmont	Huntley	Limmer	Olson, K.	Rodosovich	Vickerman
Battaglia	Dempsey	Jacobs	Lindner	Olson, M.	Rukavina	Wagenius
Bauerly	Dorn	Jaros	Lourey	Onnen	Sarna	Waltman
Beard	Erhardt	Jefferson	Luther	Opatz	Seagren	Weaver
Bergson	Evans	Jennings	Lynch	Orenstein	Sekhon	Wejcman
Bertram	Farrell	Johnson, A.	Macklin	Orfield	Simoneau	Welle
Bettermann	Frerichs	Johnson, R.	Mariani	Osthoff	Skoglund	Wenzel
Blatz	Garcia	Johnson, V.	McCollum	Ostrom	Smith	Winter
Brown, C.	Girard	Kalis	McGuire	Ozment	Solberg	Wolf
Brown, K.	Goodno	Kelley	Milbert	Pauly	Sparby	Worke
Carlson	Greenfield	Kelso	Molnau	Pawlenty	Stanius	Workman
Carruthers	Greiling	Kinkel	Morrison	Pelowski	Steensma	
Clark	Gruenes	Klinzing	Mosel	Perlit	Swenson	
Commers	Gutknecht	Knickerbocker	Munger	Peterson	Tomassoni	
Cooper	Hasskamp	Krinkie	Murphy	Pugh	Tompkins	
Dauner	Haukoos	Krueger	Neary	Reding	Trimble	

The bill was passed and its title agreed to.

The Speaker assumed the Chair.

H. F. No. 1735 was reported to the House.

Rest moved to amend H. F. No. 1735, as follows:

Page 24, line 15, delete "is" and insert "means the sum of the net levy for all cities divided by the sum of the city net tax capacity for all cities. For purposes of this section, "net levy" means the city levy, after all adjustments, used for calculating the local tax rate under section 275.08 for taxes payable in the year prior to the aid distribution."

Page 24, delete lines 16 to 20

Page 25, line 18, after "exceed" insert "the sum of (1)"

Page 25, line 18, delete "city" and insert "city's net"

Page 25, line 19, before the period, insert "plus (2) its city aid base multiplied by the base reduction percentage"

Page 25, line 19, delete everything after the period

Page 25, delete lines 20 to 24

Page 32, line 17, after "17A," insert "28A, 31,"

Page 32, after line 17, insert:

"Subd. 4. [SLAUGHTER.] Ratitae must be slaughtered and inspected in accordance with the United States department of agriculture voluntary inspection program for exotic animals, Code of Federal Regulations, title 9, part 352."

Page 32, line 18, delete "4" and insert "5"

Page 33, line 5, after "17A," and insert "28A, 31,"

Page 33, after line 5, insert:

"Subd. 4. [SLAUGHTER.] Llamas must be slaughtered and inspected in accordance with the United States department of agriculture voluntary inspection program for exotic animals, Code of Federal Regulations, title 9, part 352."

Page 33, line 6, delete "4" and insert "5"

Page 36, line 14, delete "[295.60]" and insert "[295.45]"

Page 55, after line 26, insert:

"Sec. 43. [CITY OF GARRISON; SALES TAX.]

Subdivision 1. [SALES TAX AUTHORIZED.] Notwithstanding Minnesota Statutes, section 477A.016, or any other contrary provision of law, ordinance, or city charter, the city of Garrison may, by ordinance, impose an additional sales tax of up to one percent on sales transactions taxable pursuant to Minnesota Statutes, chapter 297A, that occur within the city.

Subd. 2. [USE OF REVENUES.] Revenues received from taxes authorized under subdivision 1 must be dedicated by the city to pay the cost of collecting the tax and to pay all or part of the expenses of the construction and maintenance of a sewer system in the city, including payment of principal and interest on loans received by the city to construct the sewer system.

Subd. 3. [ENFORCEMENT; COLLECTION; AND ADMINISTRATION OF TAXES.] (a) The city may provide for collection and enforcement of the tax by ordinance or the city may enter into an agreement with the commissioner of revenue, providing for collection of the tax.

(b) If the city enters an agreement with the commissioner of revenue for collection of the tax, the sales tax imposed under this section must be reported and paid to the commissioner of revenue with the state sales taxes, and be subject to the same penalties, interest, and enforcement provisions. The proceeds of the tax, less refunds and a proportionate share of the cost of collection, shall be remitted at least quarterly to the city. The commissioner shall deduct from the proceeds remitted an amount that equals the indirect statewide cost as well as the direct and indirect department costs necessary to administer, audit, and collect the tax.

Subd. 4. [REFERENDUM.] The city may impose the tax under this section only after approval by the voters in a referendum held at a special or general election in the city.

Subd. 5. [LOCAL APPROVAL; EFFECTIVE DATE.] This section is effective the day after final enactment, upon compliance with Minnesota Statutes, section 645.021, subdivision 3, by the city of Garrison."

Page 55, line 27, delete "43" and insert "44"

Page 55, line 32, delete "44" and insert "45"

Page 56, line 26, delete "43" and insert "44"

Page 56, line 27, delete "43" and insert "44"

Page 114, after line 29, insert:

"Section 1. Minnesota Statutes 1992, section 272.02, subdivision 1, is amended to read:

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

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

The following personal property shall be taxable:

- (a) personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, crude oil, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures;
- (b) railroad docks and wharves which are part of the operating property of a railroad company as defined in section 270.80;
- (c) personal property defined in section 272.03, subdivision 2, clause (3);
- (d) leasehold or other personal property interests which are taxed pursuant to section 272.01, subdivision 2; 273.124, subdivision 7; or 273.19, subdivision 1; or any other law providing the property is taxable as if the lessee or user were the fee owner;
- (e) manufactured homes and sectional structures, including storage sheds, decks, and similar removable improvements constructed on the site of a manufactured home, sectional structure, park trailer or travel trailer as provided in section 274.19, subdivision 8, paragraph (f); and
- (f) flight property as defined in section 270.071.

(9) Personal property used primarily for the abatement and control of air, water, or land pollution to the extent that it is so used, and real property which is used primarily for abatement and control of air, water, or land pollution as part of an agricultural operation, as a part of a centralized treatment and recovery facility operating under a permit issued by the Minnesota pollution control agency pursuant to chapters 115 and 116 and Minnesota Rules, parts 7001.0500 to 7001.0730, and 7045.0020 to 7045.1260, as a wastewater treatment facility and for the treatment, recovery, and stabilization of metals, oils, chemicals, water, sludges, or inorganic materials from hazardous industrial wastes, or as part of an electric generation system. For purposes of this clause, personal property includes ponderous machinery and equipment used in a business or production activity that at common law is considered real property.

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

an order exempting the property from taxation. The equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota pollution control agency remains in effect.

(10) Wetlands. For purposes of this subdivision, "wetlands" means: (i) land described in section 103G.005, subdivision 18; (ii) land which is mostly under water, produces little if any income, and has no use except for wildlife or water conservation purposes, provided it is preserved in its natural condition and drainage of it would be legal, feasible, and economically practical for the production of livestock, dairy animals, poultry, fruit, vegetables, forage and grains, except wild rice; or (iii) land in a wetland preservation area under sections 103F.612 to 103F.616. "Wetlands" under items (i) and (ii) include adjacent land which is not suitable for agricultural purposes due to the presence of the wetlands, but do not include woody swamps containing shrubs or trees, wet meadows, meandered water, streams, rivers, and floodplains or river bottoms. Exemption of wetlands from taxation pursuant to this section shall not grant the public any additional or greater right of access to the wetlands or diminish any right of ownership to the wetlands.

(11) Native prairie. The commissioner of the department of natural resources shall determine lands in the state which are native prairie and shall notify the county assessor of each county in which the lands are located. Pasture land used for livestock grazing purposes shall not be considered native prairie for the purposes of this clause. Upon receipt of an application for the exemption provided in this clause for lands for which the assessor has no determination from the commissioner of natural resources, the assessor shall refer the application to the commissioner of natural resources who shall determine within 30 days whether the land is native prairie and notify the county assessor of the decision. Exemption of native prairie pursuant to this clause shall not grant the public any additional or greater right of access to the native prairie or diminish any right of ownership to it.

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

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

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

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

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

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

An exemption provided by clause (15) shall apply for a period not to exceed five years. When the facility no longer qualifies for exemption, it shall be placed on the assessment rolls as provided in subdivision 4. Before approving a tax exemption pursuant to this paragraph, the governing body of the municipality shall provide an opportunity to the members of the county board of commissioners of the county in which the facility is proposed to be located and the members of the school board of the school district in which the facility is proposed to be located to meet with the governing body. The governing body shall present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption shall not be approved by the governing body until the county board of commissioners has presented its written comment on the proposal to the governing body or 30 days have passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.

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

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

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

(19) Transitional housing facilities. "Transitional housing facility" means a facility that meets the following requirements. (i) It provides temporary housing to individuals, couples, or families. (ii) It has the purpose of reuniting families and enabling parents or individuals to obtain self-sufficiency, advance their education, get job training, or become employed in jobs that provide a living wage. (iii) It provides support services such as child care, work readiness training, and career development counseling; and a self-sufficiency program with periodic monitoring of each resident's progress in completing the program's goals. (iv) It provides services to a resident of the facility for at least three months but no longer than three years, except residents enrolled in an educational or vocational institution or job training program. These residents may receive services during the time they are enrolled but in no event longer than four years. (v) It is owned and operated or under lease from a unit of government or governmental agency under a property disposition program and operated by one or more organizations exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1987. This exemption applies notwithstanding the fact that the sponsoring organization receives financing by a direct federal loan or federally insured loan or a loan made by the Minnesota housing finance agency under the provisions of either Title II of the National Housing Act or the Minnesota housing finance agency law of 1971 or rules promulgated by the agency pursuant to it, and notwithstanding the fact that the sponsoring organization receives funding under Section 8 of the United States Housing Act of 1937, as amended.

(20) Real and personal property, including leasehold or other personal property interests, owned and operated by a corporation if more than 50 percent of the total voting power of the stock of the corporation is owned collectively by: (i) the board of regents of the University of Minnesota, (ii) the University of Minnesota Foundation, an organization exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1990, and (iii) a corporation organized under chapter 317A, which by its articles of incorporation is prohibited from providing pecuniary gain to any person or entity other than the regents of the University of Minnesota; which property is used primarily to manage or provide goods, services, or facilities utilizing or relating to large-scale advanced scientific computing resources to the regents of the University of Minnesota and others.

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

(22) Containment tanks, cache basins, and that portion of the structure needed for the containment facility used to confine agricultural chemicals as defined in section 18D.01, subdivision 3, as required by the commissioner of agriculture under chapter 18B or 18C.

(23) Photovoltaic devices, as defined in section 216C.06, subdivision 13, installed after January 1, 1992, and used to produce or store electric power.

(24) Real and personal property owned and operated by a private, nonprofit corporation exempt from federal income taxation pursuant to United States Code, title 26, section 501(c)(3), primarily used for an ice arena or ice rink, and used primarily for youth and high school programs.

(25) Real and personal property that is leased from the federal government and located adjacent to the boundary waters canoe area, and is operated by a nonprofit organization that is exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1992, and is primarily used to provide recreational opportunities for disabled veterans and their families."

Page 123, after line 7, insert:

"Sec. 12. Minnesota Statutes 1992, section 273.11, is amended by adding a subdivision to read:

Subd. 18. [VACANT HOSPITALS.] In valuing a hospital, as defined in section 144.50, subdivision 2, that is located outside of a metropolitan county, as defined in section 473.121, subdivision 4, and that on the date of sale is vacant and not used for hospital purposes or for any other purpose, the assessor's estimated market value for taxes levied in the year of the sale shall be no greater than the sales price of the property, including both the land and the buildings, as adjusted for terms of financing. If the sale is made later than December 15, the market value as determined under this subdivision shall be used for taxes levied in the following year. This subdivision applies only if the sales price of the property was determined under an arms length transaction."

Page 147, line 16, delete ", (ii) reappraisals, or (iii)" and insert "or (ii)"

Renumber sections in article 6

Page 153, after line 16, insert:

"Section 1 is effective for the 1993 assessment, taxes payable in 1994, and thereafter."

Correct internal cross references in article 6

Page 184, line 21, delete "12" and insert "8"

Page 225, line 13, after "REDUCTION.]" insert "(a)"

Page 225, after line 22, insert:

"(b) If the city does not elect to pay for a portion of the cost as provided by paragraph (a), the state aid reductions under Minnesota Statutes, section 273.1399 apply. The qualified captured net tax capacity of the district or subdistrict or both must be calculated under Minnesota Statutes 1992, section 273.1399, subdivision 1, paragraph (a), clause (3) under the "All Other Districts" column."

Amend the title accordingly

The question was taken on the Rest amendment and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Haukoos	Lasley	Nelson	Rhodes	Van Dellen
Anderson, I.	Dauids	Hausman	Leppik	Ness	Rice	Vellenga
Anderson, R.	Dawkins	Holsten	Lieder	Olson, E.	Rodosovich	Vickerman
Asch	Dehler	Hugoson	Limmer	Olson, K.	Rukavina	Wagenius
Battaglia	Delmont	Huntley	Lindner	Olson, M.	Sarna	Waltman
Bauerly	Dempsey	Jacobs	Lourey	Onnen	Seagren	Weaver
Beard	Dorn	Jaros	Luther	Opatz	Sekhon	Wejzman
Bergson	Erhardt	Johnson, A.	Lynch	Orenstein	Simoneau	Welle
Bertram	Evans	Johnson, R.	Macklin	Orfield	Skoglund	Wenzel
Bettermann	Farrell	Johnson, V.	Mariani	Ostrom	Smith	Winter
Bishop	Frerichs	Kalis	McCollum	Ozment	Solberg	Wolf
Blatz	Garcia	Kelley	McGuire	Pauly	Stanis	Worke
Brown, C.	Girard	Kelso	Milbert	Pawlenty	Steensma	Workman
Brown, K.	Goodno	Kinkel	Molnau	Pelowski	Sviggum	Spk. Long
Carlson	Greenfield	Klinzing	Morrison	Perlt	Swenson	
Carruthers	Greiling	Krickerbocker	Mosel	Peterson	Tomassoni	
Clark	Gruenes	Koppendrayner	Munger	Pugh	Tompkins	
Commers	Gutknecht	Krinkie	Murphy	Reding	Trimble	
Cooper	Hasskamp	Krueger	Neary	Rest	Tunheim	

The motion prevailed and the amendment was adopted.

Swiggum and Olson, E., moved to amend H. F. No. 1735, as amended, as follows:

Page 126, line 5, before the period insert ", except as provided in paragraph (d).

(d) Agricultural property that is occupied and used for purposes of a homestead by a relative of the owner, is a homestead, only to the extent of the homestead treatment that would be provided if the related owner occupied the property, and only if all of the following criteria are met:

(1) the relative who is occupying the agricultural property is a son or daughter of the owner of the agricultural property,

(2) the owner of the agricultural property must be a Minnesota resident,

(3) the owner of the agricultural property is not eligible to receive homestead treatment on any other agricultural property in Minnesota, and

(4) the owner of the agricultural property is limited to only one agricultural homestead per family under this paragraph.

For purposes of this paragraph, "agricultural property" means the house, garage, other farm buildings and structures and agricultural land.

Application must be made to the assessor by the owner of the agricultural property to receive homestead benefits under this paragraph. The assessor may require the necessary proof that the requirements under this paragraph have been met."

Page 153, line 18, delete "paragraph" and insert "paragraphs"

Page 153, line 19, after "(c)" delete ", is" and insert "and (d), are"

The motion prevailed and the amendment was adopted.

Workman moved to amend H. F. No. 1735, as amended, as follows:

Page 55, after line 20, insert:

"Sec. 42. [CARVER COUNTY; BUILDING MATERIALS FOR CORRECTIONAL FACILITY.]

Subdivision 1. [EXEMPTION.] Notwithstanding any other law to the contrary, the gross receipts from the sale of construction materials and supplies after May 31, 1992, for construction of that part of a correctional facility in Carver county that is mandated by state or federal law, rule, or regulation are exempt. The exemption applies regardless of whether the materials and supplies are purchased by the county or by a contractor, subcontractor, or builder under a contract with the county.

Subd. 2. [REFUND.] If the materials are purchased by a contractor, subcontractor, or builder as part of a lump sum contract with a price covering both labor and materials for use in the project, the tax must be imposed and collected as if the sale were taxable, and the rates under Minnesota Statutes, sections 297A.02, subdivision 1, and 297A.021, applied. Upon application of the county in the manner prescribed by the commissioner of revenue, a refund equal to the taxes paid by the contractor, subcontractor, or builder must be paid to the county. The contractor, subcontractor, or builder must furnish to the county a statement of the cost of the construction materials and supplies and the sales taxes paid on them. The amount required to make the refunds is appropriated to the commissioner of revenue.

Subd. 3. [LOCAL APPROVAL.] This section is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of Carver county."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The question was taken on the Workman amendment and the roll was called. There were 48 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Abrams	Dempsey	Holsten	Leppik	Ness	Seagren	Vickerman
Bettermann	Erhardt	Hugoson	Limmer	Olson, M.	Smith	Waltman
Bishop	Frerichs	Johnson, V.	Lindner	Onnen	Stanisus	Weaver
Blatz	Girard	Kelso	Lynch	Ozment	Swiggum	Wolf
Commers	Goodno	Knickerbocker	Macklin	Pauly	Swenson	Worke
Davids	Gruenes	Koppendrayner	Molnau	Pawlenty	Tompkins	Workman
Dehler	Haukoos	Krinkie	Morrison	Rhodes	Van Dellen	

Those who voted in the negative were:

Anderson, I.	Carruthers	Greiling	Klinzing	Murphy	Perlt	Steensma
Anderson, R.	Clark	Hasskamp	Krueger	Neary	Peterson	Tomassoni
Asch	Cooper	Hausman	Lasley	Nelson	Pugh	Trimble
Battaglia	Dauner	Huntley	Lieder	Olson, E.	Reding	Tunheim
Bauerly	Dawkins	Jacobs	Lourey	Olson, K.	Rest	Vellenga
Beard	Delmont	Jaros	Luther	Opatz	Rodosovich	Wagenius
Bergson	Dorn	Jefferson	Mariani	Orenstein	Rukavina	Wejzman
Bertram	Evans	Johnson, A.	McCollum	Orfield	Sarna	Welle
Brown, C.	Farrell	Kalis	McGuire	Osthoff	Sekhon	Wenzel
Brown, K.	Garcia	Kelley	Mosel	Ostrom	Skoglund	Winter
Carlson	Greenfield	Kinkel	Munger	Pelowski	Solberg	Spk. Long

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

Hugoson moved to amend H. F. No. 1735, as amended, as follows:

Page 15, after line 36, insert:

"Sec. 8. Minnesota Statutes 1992, section 275.065, subdivision 3, is amended to read:

Subd. 3. [NOTICE OF PROPOSED PROPERTY TAXES.] (a) The county auditor shall prepare and the county treasurer shall deliver after November 10 and on or before November 24 each year, by first class mail to each taxpayer at the address listed on the county's current year's assessment roll, a notice of proposed property taxes and, in the case of a town, final property taxes.

(b) The commissioner of revenue shall prescribe the form of the notice.

(c) The notice must inform taxpayers that it contains the amount of property taxes each taxing authority other than a town proposes to collect for taxes payable the following year and, for a town, the amount of its final levy. It must clearly state that each taxing authority, other than a town or special taxing district, will hold a public meeting to receive public testimony on the proposed budget and proposed or final property tax levy, or, in case of a school district, on the current budget and proposed property tax levy. It must clearly state the time and place of each taxing authority's meeting and an address where comments will be received by mail. The notice must clearly state that each taxing authority holding a public meeting will present information for discussion at that meeting regarding the compensation paid to its employees in the current and the next succeeding budget year, and how those amounts relate to its property tax levies.

(d) The notice must state for each parcel:

(1) the market value of the property as defined under section 272.03, subdivision 8, for property taxes payable in the following year and for taxes payable the current year; and, in the case of residential property, whether the property is classified as homestead or nonhomestead. The notice must clearly inform taxpayers of the years to which the market values apply and that the values are final values;

(2) by county, city or town, school district, the sum of the special taxing districts, and as a total of the taxing authorities, including special taxing districts, the proposed or, for a town, final net tax on the property for taxes payable the following year and the actual tax for taxes payable the current year. In the case of a parcel where tax increment or the fiscal disparities areawide tax applies, the proposed tax levy on the captured value or the proposed tax levy on the tax capacity subject to the areawide tax must each be stated separately and not included in the sum of the special taxing districts; and

(3) the increase or decrease in the amounts in clause (2) from taxes payable in the current year to proposed or, for a town, final taxes payable the following year, expressed as a dollar amount and as a percentage.

(e) The notice must clearly state that the proposed or final taxes do not include the following:

(1) special assessments;

(2) levies approved by the voters after the date the proposed taxes are certified, including bond referenda, school district levy referenda, and levy limit increase referenda;

(3) amounts necessary to pay cleanup or other costs due to a natural disaster occurring after the date the proposed taxes are certified;

(4) amounts necessary to pay tort judgments against the taxing authority that become final after the date the proposed taxes are certified; and

(5) any additional amount levied in lieu of a local sales and use tax, unless this amount is included in the proposed or final taxes.

(f) Except as provided in subdivision 7, failure of the county auditor to prepare or the county treasurer to deliver the notice as required in this section does not invalidate the proposed or final tax levy or the taxes payable pursuant to the tax levy.

(g) If the notice the taxpayer receives under this section lists the property as nonhomestead and the homeowner provides satisfactory documentation to the county assessor that the property is owned and has been used as the owner's homestead prior to June 1 of that year, the assessor shall reclassify the property to homestead for taxes payable in the following year.

(h) In the case of class 4 residential property used as a residence for lease or rental periods of 30 days or more, the taxpayer must either:

(1) mail or deliver a copy of the notice of proposed property taxes to each tenant, renter, or lessee; or

(2) post a copy of the notice in a conspicuous place on the premises of the property.

The notice must be mailed or posted by the taxpayer by November 27 or within three days of receipt of the notice, whichever is later. A taxpayer may notify the county treasurer of the address of the taxpayer, agent, caretaker, or manager of the premises to which the notice must be mailed in order to fulfill the requirements of this paragraph."

Page 16, strike line 11

Page 16, line 12, strike everything before "the"

Page 16, strike lines 14 to 27

Page 17, after line 31, insert:

"(e) The commissioner of revenue, subject to the approval of the chairs of the house and senate tax committees, shall prescribe the form and format of the advertisement.

(f) Beginning in 1993, each city, county, and school district must include in the advertisement required under this subdivision, information comparing current and proposed employee compensation costs in the current and next succeeding budget years, and a statement that its employee compensation costs for these periods will be discussed at the public meeting required under this section. The commissioner of revenue, subject to the approval of the chairs of the house and senate tax committees, shall specify the form, format, and content of the information to be included in the advertisement.

(g) Beginning in 1993, the commissioner of revenue shall prescribe the form, format, and content of a notice comparing current and proposed employee compensation costs for the executive branch of the state, the University of Minnesota, the community college system, the state board of technical colleges, the state university system, the metropolitan council, the metropolitan mosquito control commission, and the regional transit board. The notice must be at least one-eighth page size of a standard-size or tabloid-size newspaper. The notice must be published statewide, on or before December 31 each year. The notice must be published in official newspapers of general circulation. The newspapers selected must be of general interest and readership, and not of limited subject matter. The notice must be published in a sufficient number of newspapers so as to cover the geographical area of the state. The notice must be published in newspapers that are published at least once per week, and the notice must not be placed in the part of any newspaper where legal notices and classified advertisements appear. The form, format, and content of each year's notice must be approved by the chairs of the house and senate tax committees prior to publication.

Sec. 10. Minnesota Statutes 1992, section 275.065, subdivision 6, is amended to read:

Subd. 6. [PUBLIC HEARING; ADOPTION OF BUDGET AND LEVY.] Between November 29 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 determined 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, 124B.03, subdivision 2, or 136C.411, after the proposed levy was certified;

(2) the amount of a city or county levy approved by the voters 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; and

(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.

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. Specific information must be presented on: (i) the percentage of the proposed budget representing employee compensation costs; (ii) total expenditures for employee wages and benefits in the two previous years, the current calendar year, and proposed for the following year; (iii) numbers of employees by general classification and whether full or part time in the two

previous years, the current calendar year, and proposed for the following year; and (iv) how changes in employee compensation costs between the current and proposed budgets compare with, and affect, the current and proposed levies. 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 governing body of a county shall hold its hearing on the second Tuesday in December each year. The county auditor shall provide for the coordination of hearing dates for all cities and school districts within the county.

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. 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 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. The city must not select dates that conflict with the county hearing dates or with those elected by or assigned to the school districts in which the city is located.

The county hearing dates and the city and school district hearing dates must be designated on the notices required under subdivision 3. The continuation dates need not be stated on the notices.

This subdivision does not apply to towns and special taxing districts."

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 Hugoson amendment and the roll was called. There were 47 yeas and 83 nays as follows:

Those who voted in the affirmative were:

Abrams	Erhardt	Holsten	Limmer	Olson, M.	Smith	Waltman
Bettermann	Frerichs	Hugoson	Lindner	Onnen	Stanius	Weaver
Bishop	Girard	Johnson, V.	Lynch	Ozment	Sviggum	Wolf
Blatz	Goodno	Knickerbocker	Macklin	Pauly	Swenson	Worke
Commers	Gruenes	Koppendrayner	Molnau	Pawlenty	Tompkins	Workman
Davids	Gutknecht	Krinkie	Morrison	Rhodes	Van Dellen	
Dehler	Haukoos	Leppik	Ness	Seagren	Vickerman	

Those who voted in the negative were:

Anderson, I.	Beard	Carlson	Dawkins	Farrell	Hausman	Johnson, A.
Anderson, R.	Bergson	Carruthers	Delmont	Garcia	Huntley	Johnson, R.
Asch	Bertram	Clark	Dempsey	Greenfield	Jacobs	Kalis
Battaglia	Brown, C.	Cooper	Dorn	Greiling	Jaros	Kelley
Bauerly	Brown, K.	Dauner	Evans	Hasskamp	Jefferson	Kelso

Kinkel	Mariani	Neary	Osthoff	Rest	Skoglund	Wagenius
Klinzing	McCollum	Nelson	Ostrom	Rice	Solberg	Wejcman
Krueger	McGuire	Olson, E.	Pelowski	Rodosovich	Sparby	Welle
Lasley	Milbert	Olson, K.	Perlt	Rukavina	Steensma	Wenzel
Lieder	Mosel	Opatz	Peterson	Sarna	Tomassoni	Winter
Lourey	Munger	Orenstein	Pugh	Sekhon	Trimble	Spk. Long
Luther	Murphy	Orfield	Reding	Simoneau	Tunheim	

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

Van Dellen moved to amend H. F. No. 1735, as amended, as follows:

Page 19, after line 6, insert:

"Sec. 12. [275.63] [GENERAL PROPERTY TAX LIMITATIONS FOR TAXES PAYABLE IN 1994.]

Subdivision 1. [SCOPE; DEFINITION.] This section supersedes all special and general laws and charter provisions establishing any type of limitation on ad valorem tax levies of governmental subdivisions to the extent that they authorize property taxation in excess of the limitation established in this section, but otherwise such levy limitations are in no way affected by this section. For these purposes, "governmental subdivision" means a county, a home rule charter city, a statutory city, a township with a population of 5,000 or more as determined according to section 275.14, and all special taxing districts.

Subd. 2. [PAYABLE 1994 MARKET VALUE.] For taxes payable in 1994, the market value of all property shall be the lesser of: (1) its market value established in the assessment for taxes payable in 1993, plus the market value established in the assessment for taxes payable in 1994 of new construction in the assessment for taxes payable in 1994; or (2) its market value established in the assessment for taxes payable in 1994. For property that was exempt from tax for taxes payable in 1993, "market value" means the market value of the property established in the assessment for taxes payable in 1994.

Subd. 3. [PAYABLE 1994 TAX RATE LIMITATION.] The local tax rate for taxes payable in 1994 of a governmental subdivision, after the adjustments required by section 275.08, subdivision 1c, and subdivision 1d if applicable, shall not exceed the comparable rate for the governmental subdivision for taxes payable in 1993 by an amount greater than the payable 1994 tax rate necessary to compensate for (1) two-thirds of the aid reduction to the governmental subdivision under section 273.1398, subdivision 2d; and (2) for cities, any reduction under section 477A.013. If a governmental subdivision certifies a levy for taxes payable in 1994 to the county auditor that would produce a local tax rate in excess of the limitation established in this section, the county auditor shall extend only such amount of taxes as the limitation of this section will permit.

Subd. 4. [TORT JUDGMENTS AND NATURAL DISASTERS.] A governmental subdivision may appeal to the commissioner of revenue for authorization to levy an amount in excess of the limitation established in this section for the reasons and under the procedures provided in section 275.065, subdivision 6a.

Subd. 5. [REFERENDA.] No governmental subdivision may levy a tax in excess of the limitation provided in this section unless the excess levy is approved by the voters through a referendum held on the question. A levy approved at such a referendum is subject to the provisions of section 275.61. All referenda under this subdivision must be held on November 2, 1993."

Pages 64 to 67, delete sections 5, 6, and 8

Page 69, lines 7 and 36, delete the new language and reinstate the old language

Page 72, delete section 12

Page 73, line 4, delete "13" and insert "9"

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 Van Dellen amendment and the roll was called. There were 50 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Haukoos	Limmer	Onnen	Sviggum	Worke
Asch	Dempsey	Holsten	Lindner	Osthoff	Swenson	Workman
Bergson	Erhardt	Hugoson	Lynch	Pauly	Tompkins	
Bettermann	Frerichs	Johnson, V.	Macklin	Pawlenty	Van Dellen	
Bishop	Girard	Knickerbocker	Molnau	Rhodes	Vickerman	
Blatz	Goodno	Koppendrayer	Morrison	Seagren	Waltman	
Commers	Gruenes	Krinkie	Ness	Smith	Weaver	
Dauids	Gutknecht	Leppik	Olson, M.	Stanis	Wolf	

Those who voted in the negative were:

Anderson, I.	Dauner	Jefferson	Lourey	Olson, K.	Rice	Tunheim
Anderson, R.	Dawkins	Jennings	Luther	Opatz	Rodosovich	Vellenga
Battaglia	Delmont	Johnson, A.	Mariani	Orenstein	Rukavina	Wagenius
Bauerly	Dorn	Johnson, R.	McCollum	Orfield	Sarna	Wejzman
Beard	Evans	Kalis	McGuire	Ostrom	Sekhon	Welle
Bertram	Farrell	Kelley	Milbert	Ozment	Simoneau	Wenzel
Brown, C.	Garcia	Kelso	Mosel	Pelowski	Skoglund	Winter
Brown, K.	Greiling	Kinkel	Munger	Perlt	Solberg	Spk. Long
Carlson	Hausman	Klinzing	Murphy	Peterson	Sparby	
Carruthers	Huntley	Krueger	Neary	Fugh	Steensma	
Clark	Jacobs	Lasley	Nelson	Reding	Tomassoni	
Cooper	Jaros	Lieder	Olson, E.	Rest	Trimble	

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

Smith moved to amend H. F. No. 1735, as amended, as follows:

Page 230, after line 23, insert:

"Section 1. [3.868] [TAX INCREASE; VOTE OF THE HOUSE OF REPRESENTATIVES.]

Any law that would increase the rate of a tax or enlarge the class of objects that are subject to a tax shall not take effect without the affirmative vote of 60 percent of all the members of the house of representatives."

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 Smith amendment and the roll was called. There were 47 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Abrams	Dempsey	Haukoos	Leppik	Ness	Smith	Waltman
Bergson	Erhardt	Holsten	Limmer	Olson, M.	Stanisus	Weaver
Bettermann	Frerichs	Hugoson	Lindner	Ornen	Sviggum	Wolf
Blatz	Girard	Johnson, V.	Lynch	Ozment	Swenson	Worke
Commers	Goodno	Knickerbocker	Macklin	Pauly	Tompkins	Workman
Davids	Gruenes	Koppendrayer	Molnau	Rhodes	Van Dellen	
Dehler	Gutknecht	Krinkie	Morrison	Seagren	Vickerman	

Those who voted in the negative were:

Anderson, I.	Cooper	Jacobs	Lieder	Olson, E.	Rest	Tunheim
Anderson, R.	Dauner	Jaros	Lourey	Olson, K.	Rodosovich	Vellenga
Asch	Dawkins	Jefferson	Luther	Opatz	Rukavina	Wagenius
Battaglia	Delmont	Johnson, A.	Mariani	Orenstein	Sarna	Wejcmán
Bauerly	Dorn	Johnson, R.	McCollum	Orfield	Sekhon	Welle
Beard	Evans	Kalis	McGuire	Osthoff	Simoneau	Wenzel
Bertram	Farrell	Kelley	Milbert	Ostrom	Skoglund	Winter
Brown, C.	Garcia	Kelso	Mosel	Pelowski	Solberg	Spk. Long
Brown, K.	Greenfield	Kinkel	Munger	Perlt	Sparby	
Carlson	Greiling	Klinzing	Murphy	Peterson	Steensma	
Carruthers	Hausman	Krueger	Neary	Pugh	Tomassoni	
Clark	Huntley	Lasley	Nelson	Reding	Trimble	

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

Ozment moved to amend H. F. No. 1735, as amended, as follows:

Page 164, delete line 14 and insert "at least one public hearing in each county in the metropolitan area."

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

Abrams moved to amend H. F. No. 1735, as amended, as follows:

Pages 24 and 25, delete sections 22 to 26, and insert:

"Sec. 22. Minnesota Statutes 1992, section 477A.011, is amended by adding a subdivision to read:

Subd. 35. [CITY NET LEVY.] "City net levy" means the city levy, after all adjustments, used for calculating the local tax rate under section 275.08 for taxes payable in the year before the aid distribution.

Sec. 23. Minnesota Statutes 1992, section 477A.011, is amended by adding a subdivision to read:

Subd. 36. [AVERAGE CITY NET TAX CAPACITY PER CAPITA.] Average city net tax capacity per capita is the sum of city net tax capacity for all cities divided by the total population of all cities.

Sec. 24. Minnesota Statutes 1992, section 477A.011, is amended by adding a subdivision to read:

Subd. 37. [REVENUE CAPACITY FACTOR.] The revenue capacity factor for a city is one minus the ratio of the city net tax capacity per capita divided by two times the average city net tax capacity per capita. A city's revenue capacity factor cannot be less than zero.

Sec. 25. Minnesota Statutes 1992, section 477A.013, is amended by adding a subdivision to read:

Subd. 8. [CITY AID.] In calendar years 1994, 1995, and 1996, each city shall receive an aid distribution equal to the product of (1) the need increase percentage, (2) the city's revenue need, (3) the city's population, and (4) the city's revenue capacity factor. The need increase percentage must be the same for all cities and must be calculated by the department of revenue so that the total of the aid distributed under this subdivision equals the total amount for city aid under section 477A.03.

Any increase in aid that a city receives under this subdivision in any year compared to its aid in the prior year must not exceed ten percent of its net levy from the prior year. Any decrease in aid that a city receives under this subdivision in any year compared to its aid in the prior year must not exceed the lesser of seven percent of its aid from the prior year or seven percent of its net levy from the prior year. For calendar year 1994, aid in the prior year is equal to the sum of local government aid and equalization aid a city was originally certified to receive in calendar year 1993 under Minnesota Statutes 1992, section 477A.013, subdivisions 3 and 5, and the amount of disparity reduction aid the city received in calendar year 1993 under section 273.1398, subdivision 3."

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 Abrams amendment and the roll was called. There were 51 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Holsten	Lindner	Ness	Rhodes	Weaver
Asch	Delmont	Jacobs	Luther	Olson, M.	Seagren	Wolf
Bergson	Dempsey	Knickerbocker	Lynch	Onnen	Smith	Workman
Bishop	Erhardt	Koppendrayner	Macklin	Ozment	Stanius	
Blatz	Evans	Krinkie	McGuire	Pauly	Sviggun	
Carruthers	Greiling	Lasley	Milbert	Pawlenty	Swenson	
Commers	Gutknecht	Leppik	Molnau	Perlt	Tompkins	
Dauids	Hasskamp	Limmer	Morrison	Pugh	Van Dellen	

Those who voted in the negative were:

Anderson, I.	Dauner	Hausman	Kinkel	Olson, E.	Rukavina	Vellenga
Anderson, R.	Dawkins	Hugoson	Klinzing	Opatz	Sarna	Vickerman
Battaglia	Dorn	Huntley	Krueger	Orenstein	Sekhon	Wagenius
Bauerly	Farrell	Jaros	Lieder	Orfield	Simoneau	Waltman
Beard	Frerichs	Jefferson	Lourey	Osthoff	Skoglund	Wejcmn
Bertram	Garcia	Jennings	Mariani	Ostrom	Solberg	Welle
Bettermann	Girard	Johnson, R.	Mosel	Pelowski	Sparby	Wenzel
Brown, K.	Goodno	Johnson, V.	Munger	Peterson	Steensma	Winter
Carlson	Greenfield	Kalis	Murphy	Reding	Tomassoni	Worke
Clark	Gruenes	Kelley	Neary	Rest	Trimble	Spk. Long
Cooper	Haukoos	Kelso	Nelson	Rodosovich	Tunheim	

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

Peterson moved to amend H. F. No. 1735, as amended, as follows:

Page 136, after line 17, insert:

"To receive the reduced class rate on additional parcels under clause (1), the taxpayer must notify the county assessor that the taxpayer owns additional parcels in the same city or town."

The motion prevailed and the amendment was adopted.

Morrison and Rest moved to amend H. F. No. 1735, as amended, as follows:

Page 10, line 6 of the Rest amendment, delete "that is located"

Page 10, delete line 7 of the Rest amendment

Page 10, line 8 of the Rest amendment, delete "subdivision 4, and"

The motion prevailed and the amendment was adopted.

H. F. No. 1735, A bill for an act relating to the financing and operation of government in Minnesota; revising the operation of the local government trust fund; modifying the administration, computation, collection, and enforcement of taxes; imposing taxes; changing tax rates, bases, credits, exemptions, withholding, and payments; modifying proposed tax notice and hearing requirements; modifying aids to local governments; modifying provisions relating to property tax valuations, classifications, and levies; changing tax increment financing provisions; changing the amount in the budget and cash flow reserve account; authorizing imposition of local taxes; updating references to the Internal Revenue Code; changing certain bonding and local government finance provisions; changing definitions; making technical corrections and clarifications; providing for grants and loans in certain cases; enacting provisions relating to certain cities, counties, and special taxing districts; prescribing penalties; appropriating money; amending Minnesota Statutes 1992, sections 16A.15, subdivision 6; 16A.1541; 17A.03, subdivision 5; 31.51, subdivision 9; 31A.02, subdivisions 4 and 10; 31B.02, subdivision 4; 35.821, subdivision 4; 60A.15, subdivisions 2a, 9a, and by adding a subdivision; 60A.198, subdivision 3; 60A.199, subdivision 4, and by adding a subdivision; 97A.061, subdivisions 2 and 3; 103B.635, subdivision 2, as amended; 115B.22, subdivision 7; 124.2131, subdivision 1; 134.001, by adding a subdivision; 134.351, subdivision 4; 239.785; 256E.06, subdivision 12; 270.06; 270.07, subdivision 3; 270.41; 270.70, subdivision 1; 270A.10; 270B.01, subdivision 8; 270B.12, by adding a subdivision; 270B.14, subdivision 8; 272.02, subdivisions 1 and 4; 272.115, subdivisions 1 and 4; 273.061, subdivisions 1 and 8; 273.11, subdivisions 1, 6a, 13, and by adding subdivisions; 273.112, by adding a subdivision; 273.121; 273.124, subdivisions 1, 9, 13, and by adding subdivisions; 273.13, subdivisions 23, 24, 25, and 33; 273.135, subdivision 2; 273.1398, subdivisions 1, 2, and by adding subdivisions; 273.33, subdivision 2; 275.065, subdivisions 1, 3, 5a, 6, and by adding a subdivision; 275.07, subdivision 1, and by adding a subdivision; 275.08, subdivision 1d; 276.02; 276.04, subdivision 2; 279.37, subdivision 1a; 289A.09, by adding a subdivision; 289A.18, subdivision 4; 289A.20, subdivisions 2 and 4; 289A.26, subdivision 7; 289A.36, subdivision 3; 289A.50, subdivision 5; 289A.56, subdivision 3; 289A.60, subdivisions 1, 2, 15, and by adding subdivisions; 290.01, subdivisions 7, 19, 19a, and 19c; 290.06, subdivisions 2c and 2d; 290.0671, subdivision 1; 290.091, subdivisions 1, 2, and 6; 290.0921, subdivision 3; 290A.03, subdivisions 3, 7, and 8; 290A.04, subdivision 2h, and by adding a subdivision; 290A.23; 294.03, subdivisions 1, 2, and by adding a subdivision; 296.01, by adding a subdivision; 296.02, subdivision 8; 296.03; 296.14, subdivision 1; 296.18, subdivision 1; 297.03, subdivision 6; 297.07, subdivisions 1 and 4; 297.35, subdivisions 1 and 5; 297.43, subdivisions 1, 2, and by adding a subdivision; 297A.01, subdivisions 6, 13, and 15; 297A.136; 297A.14, subdivision 1; 297A.25, subdivisions 3, 7, 11, 16, 34, 41, and by adding a subdivision; 297C.03, subdivision 1; 297C.04; 297C.05, subdivision 2; 297C.14, subdivisions 1, 2, and by adding a subdivision; 298.75, subdivisions 4 and 5; 299F.21, subdivision 2; 299F.23, subdivision 2, and by adding a subdivision; 319A.11, subdivision 1; 349.212, subdivision 4; 349.217, subdivisions 1, 2, and by adding a subdivision; 375.192, subdivision 2; 429.061, subdivision 1; 469.012, subdivision 1; 469.174, subdivisions 19 and 20; 469.175, by adding a subdivision; 469.176, subdivisions 1 and 4e; 469.1763, by adding a subdivision; 469.177, subdivisions 1 and 8; 469.1831, subdivision 4; 473.13, subdivision 1; 473.1623, subdivision 3; 473.167, subdivision 4; 473.249, subdivision 2; 473.843, subdivision 3; 477A.011, subdivisions 1a, 20, and by adding subdivisions; 477A.013, by adding subdivisions; 477A.03, subdivision 1; and 477A.14; Laws 1953, chapter 387, section 1; Laws 1969, chapter 561, section 1; Laws 1971, chapters 373, sections 1 and 2; 455, section 1; Laws 1985, chapter 302, sections 1, subdivision 3; 2, subdivision 1; and 4; proposing coding for new law in Minnesota Statutes, chapters 17; 116; 134; 270; 272; 273; 295; 297A; 383A; and 469; repealing Minnesota Statutes 1992, sections 115B.24, subdivision 10; 272.115, subdivision 1a; 273.1398, subdivision 5; 275.07, subdivision 3; 297A.01, subdivision 16; 297A.25, subdivision 42; 297B.09, subdivision 3; 477A.011, subdivisions 1b, 3a, 15, 16, 17,

18, 22, 23, 25, and 26; and 477A.013, subdivisions 2, 3, and 5; Laws 1953, chapter 387, section 2; Laws 1963, chapter 603, section 1; and Laws 1969, chapter 592, sections 1 to 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 78 yeas and 54 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dauner	Jacobs	Lourey	Orenstein	Rukavina	Wagenius
Anderson, R.	Dawkins	Jaros	Luther	Orfield	Sarna	Wejcman
Battaglia	Delmont	Jefferson	Mariani	Osthoff	Sekhon	Welle
Bauerly	Dorn	Jennings	McCollum	Ostrom	Simoneau	Wenzel
Beard	Evans	Johnson, R.	McGuire	Ozment	Skoglund	Winter
Bertram	Farrell	Kahn	Milbert	Pelowski	Solberg	Spk. Long
Brown, C.	Garcia	Kalis	Mosel	Peterson	Sparby	
Brown, K.	Greenfield	Kinkel	Munger	Pugh	Steensma	
Carlson	Greiling	Klinzing	Murphy	Reding	Tomassoni	
Carruthers	Hasskamp	Krueger	Nelson	Rest	Trimble	
Clark	Hausman	Lasley	Olson, E.	Rice	Tunheim	
Cooper	Huntley	Lieder	Olson, K.	Rodosovich	Vellenga	

Those who voted in the negative were:

Abrams	Dehler	Haukoos	Krinkie	Neary	Rhodes	Vickerman
Asch	Dempsey	Holsten	Leppik	Ness	Seagren	Waltman
Bergson	Erhardt	Hugoson	Limmer	Olson, M.	Smith	Weaver
Bettermann	Frerichs	Johnson, V.	Lindner	Onnen	Stanius	Wolf
Bishop	Girard	Kelley	Lynch	Opatz	Sviggum	Worke
Blatz	Goodno	Kelso	Macklin	Pauly	Swenson	Workman
Commers	Gruenes	Knickerbocker	Molnau	Pawlenty	Tompkins	
Davids	Gutknecht	Koppendrayner	Morrison	Perl	Van Dellen	

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

SPECIAL ORDERS

Anderson, I., moved that the bills on Special Orders for today be continued. The motion prevailed.

GENERAL ORDERS

Anderson, I., moved that the bills on General Orders for today be continued. The motion prevailed.

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

REPORTS OF STANDING COMMITTEES

Rest from the Committee on Taxes to which was referred:

H. F. No. 350, A bill for an act relating to education; prekindergarten through grade 12; providing for general education; transportation; special programs; early childhood, community, and adult education; facilities; organization and cooperation; access to excellence; miscellaneous programs and provisions; choice programs; libraries; state agencies; and realignment of responsibilities; appropriating money; amending Minnesota Statutes 1992, sections 3.873, subdivisions 4, 5, 6, 7, and 9; 120.06, subdivision 3; 120.062, subdivision 5, and by adding a subdivision; 120.0621; 120.064, subdivisions 3 and 4; 120.0751, subdivisions 1, 2, 3, and 4; 120.101, subdivisions 5 and 5b; 120.102, subdivision 1; 120.17, subdivision 7a; 120.73, subdivision 1; 120.75; 121.15, subdivision 4; 121.16, subdivision 1; 121.201, subdivision 1; 121.585, subdivision 8; 121.612, subdivisions 2 and 4; 121.831; 121.88, subdivision 8; 121.882, subdivision 2b; 121.901, subdivisions 1 and 2; 121.902; 121.904, subdivisions 4a, 4e, and 14; 121.912, subdivision 6, and by adding a subdivision; 121.9121; 121.914, subdivision 3; 121.934, subdivision 1; 121.935, subdivisions 2 and 5; 121.936; 122.22, by adding a subdivision; 122.242, subdivision 9; 122.531, subdivision 4a; 122.895, subdivision 2, and by adding subdivisions; 123.34, subdivision 9; 123.35, subdivision 17; 123.351, subdivisions 6, 8, and 9; 123.3513; 123.3514, subdivisions 5, 6, 6b, 6c, and 8; 123.36, by adding a subdivision; 123.39, by adding a subdivision; 123.58, subdivisions 6, 7, 8, and 9; 123.702, subdivisions 1, 1a, 1b, 3, and 4; 123.7045; 123.71, subdivision 1; 123.932, subdivision 7; 123.935, subdivision 7; 123.947; 124.09; 124.10, subdivision 1; 124.14, subdivisions 1 and 4; 124.17, subdivisions 1, 2c, and by adding a subdivision; 124.19, subdivisions 1 and 4; 124.195, subdivisions 8 and 9; 124.223, subdivision 3; 124.225, subdivisions 1, 3a, 7b, 7d, and 7e; 124.226, subdivisions 1, 3, 9, and by adding a subdivision; 124.243, subdivisions 1, 2, 2a, 6, and 8; 124.248, subdivision 4; 124.26, subdivision 2; 124.2601, subdivisions 4 and 6; 124.261, subdivision 1; 124.2615, subdivisions 2 and 3; 124.2711, subdivision 1; 124.2714; 124.2721, subdivisions 1 and 3; 124.2725, subdivisions 2, 4, 5, 6, 10, and 13; 124.273, by adding a subdivision; 124.276, subdivision 3; 124.32, subdivision 1d; 124.322, subdivisions 2, 3, 4, and by adding a subdivision; 124.332, subdivision 2; 124.37; 124.38, by adding a subdivision; 124.431, subdivisions 1, 1a, 2, and 14; 124.48, subdivisions 1 and 3; 124.494, subdivisions 1, 2, and by adding a subdivision; 124.573, subdivision 3; 124.574, by adding a subdivision; 124.625; 124.64; 124.645, subdivisions 1 and 2; 124.69, subdivision 1; 124.73, subdivision 1; 124.79; 124.83, subdivisions 1, 2, 4, 6, and by adding a subdivision; 124.91, subdivision 3; 124.912, subdivisions 2 and 3; 124.95, subdivisions 1, 2, 2a, and 3; 124.961; 124A.03, subdivision 1c, and by adding a subdivision; 124A.22, subdivisions 2, 4, 5, 6, 8, and 9; 124A.23, subdivision 1; 124A.26, subdivision 1, and by adding a subdivision; 124A.27, subdivision 2; 124A.29, subdivision 1; 124A.70; 124A.72; 124C.08, subdivision 1; 125.05, subdivision 1a; 125.185, subdivisions 4 and 6; 125.1885, subdivision 3; 125.189; 126.151, subdivision 2; 126.22, subdivisions 2, 3, 3a, and 4; 126.239, subdivision 3; 126.267; 126.268, subdivision 2; 126.52, subdivisions 8 and 9; 126.54, subdivision 1; 126.56, subdivisions 4a and 7; 126.665; 126.67, subdivision 8; 126.70, subdivision 2a; 126A.07, subdivision 1; 127.15; 127.455; 127.46; 128A.024, subdivision 2; 128A.03, subdivision 2; 129C.10, subdivision 1, and by adding a subdivision; 134.31, subdivisions 1, 2, and 5; 134.32, subdivision 8; 145A.10, subdivision 5; 256E.03, by adding subdivisions; 256E.08, subdivision 1; 256E.09, subdivision 2, and by adding a subdivision; 473F.02, by adding a subdivision; and 475.61, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 4; 121; 124; 124A; 124C; 125; 126; 128A; Laws 1991, chapters 256, article 8, section 14, as amended; 265, articles 1, section 30; and 2, section 19, subdivision 2; and Laws 1992, chapters 499, article 8, section 33; 571, article 10, section 29; repealing Minnesota Statutes 1992, sections 120.0621, subdivision 5; 121.87; 124.197; 124.2721, subdivisions 2 and 4; 124.32, subdivision 5; 124.615; 124.62; 125.703; 126.22, subdivision 2a; and Laws 1988, chapter 486, section 59.

Reported the same back with the following amendments:

Page 22, line 28, delete "\$1,052,000,000" and insert "\$729,000,000"

Page 33, after line 3, insert:

"Sec. 33. [EDUCATION AIDS INCREASE ACCOUNT.]

Subdivision 1. [ESTABLISHMENT.] There is established an education aids increase account in the general fund of the state treasury for the deposit of funds for education aids in the biennium beginning July 1, 1995. The money in this account must be used only to pay the fiscal year 1996 obligations of education property tax reductions in payable year 1994.

Subd. 2. [TRANSFER OF FUNDS.] The commissioner of finance shall transfer \$46,000,000 to the education aids increase account on June 1, 1995.

Subd. 3. [EXPIRATION.] The education aids increase account expires on December 31, 1996. Any unexpended money in the education aids increase account on December 31, 1996, shall be transferred to the general fund.

Sec. 34. [REFERENDUM LEVY ELECTION; 1993.]

Subdivision 1. [ELECTION LIMIT.] A school district shall not conduct an election in 1993 under Minnesota Statutes, chapter 124A, except as allowed in this section.

Subd. 2. [EXPIRING REFERENDUM.] A school district may hold an election in 1993 under Minnesota Statutes, chapter 124A, to replace a referendum that expires with taxes payable in 1993. The amount of such a referendum may not exceed the dollars per pupil that were raised in 1993 by the referendum authority expiring with taxes payable in 1993.

Subd. 3. [OTHER EXCEPTIONS.] A school district may hold an election in 1993 under Minnesota Statutes, chapter 124A, if it receives the commissioner's approval under this subdivision. Districts requesting approval under this subdivision must submit an application to the commissioner by August 1, 1993. The application must: (1) state that the district is in statutory operating debt and has an approved plan to eliminate that debt that includes passing a referendum levy; or (2) document a situation that will result in the district entering into statutory operating debt if a referendum levy is not passed. The commissioner must approve, deny, or modify each district's application to hold a referendum levy by August 31, 1993.

Sec. 35. Minnesota Statutes 1992, section 273.1398, is amended by adding a subdivision to read:

Subd. 2d. [AID ADJUSTMENT; SCHOOL DISTRICTS.] Fiscal year 1995 homestead and agricultural credit aids to school districts under subdivision 2 shall be reduced by an amount equal to 2.75 percent of adjusted net tax capacity. The adjusted net tax capacity shall be determined in the same manner as adjusted net tax capacity is determined under section 124.2131 for taxes payable in 1994. Aid reductions under this subdivision shall be considered permanent reductions to homestead and agricultural credit aid amounts to be carried over for future years."

Page 33, line 10, delete "\$1,788,051,000" and insert "\$1,939,112,000"

Page 33, line 11, delete "\$1,972,000,000" and insert "\$2,279,331,000"

Page 33, line 13, delete "\$1,530,500,000" and insert "\$1,681,561,000"

Page 33, line 14, delete "\$266,000,000" and insert "\$265,150,000"

Page 33, line 15, delete "\$1,706,000,000" and insert "\$2,014,181,000"

Renumber the sections in article 1 in sequence

Page 38, line 2, delete "4.0" and insert "3.45"

Page 39, line 13, delete "1.0345" and insert "1.04"

Page 57, line 29, delete "1994" and insert "1995"

Page 66, line 5, delete "1995" and insert "1994"

Page 104, line 27, before "way" insert "existing"

Page 107, line 23, delete "section" and insert "sections" and delete ", is" and insert "; and 145.926, are"

Page 107, delete lines 26 and 27

Page 107, line 28, delete "Section" and insert "Sections" and delete ", is" and insert "; 124A.29, subdivision 1; 124A.32; 145A.10, subdivision 5; 256E.03, subdivision 1a; 256E.03, subdivision 8; 256E.08, subdivision 1; 256E.09, subdivision 2; and 256E.09, subdivision 3a, are"

Page 107, line 29, delete "applies" and insert "apply"

Page 125, after line 10, insert:

"Sec. 25. Minnesota Statutes 1992, section 124.84, subdivision 3, is amended to read:

Subd. 3. [LEVY AUTHORITY.] The district may levy up to \$300,000 under this section, as approved by the commissioner. The approved amount may be levied over five or fewer years. For taxes payable in 1994 and later, a district's maximum levy in any year under this section is limited to not more than one-fourth of the total levy authority remaining as of July 1, 1993."

Page 134, line 32, delete "\$73,549,000" and insert "\$84,514,000"

Page 134, line 36, delete "\$62,730,000" and insert "\$73,695,000"

Page 135, line 5, delete "\$36,180,000" and insert "\$41,620,000"

Page 135, line 7, delete "\$30,179,000" and insert "\$36,295,000"

Page 135, line 14, delete "\$18,924,000" and insert "\$28,299,000"

Page 135, line 18, delete "\$17,230,000" and insert "\$26,605,000"

Page 136, line 22, delete "34" and insert "35"

Renumber the sections in article 5 in sequence

Page 158, line 10, delete "MISCELLANEOUS" and insert "OTHER EDUCATION PROGRAMS"

Page 160, line 28, delete "\$....." and insert "\$2,000"

Page 164, after line 16, insert:

"Sec. 9. Minnesota Statutes 1992, section 275.48, is amended to read:

275.48 [ADDITIONAL TAX LEVIES IN CERTAIN MUNICIPALITIES.]

When by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the net tax capacity of a city, township or school district for a taxable year is reduced after the taxes for the year have been spread by the county auditor, and when the local tax rate determined by the county auditor based on the original net tax capacity is applied on the reduced net tax capacity and does not produce the full amount of taxes actually levied and certified for that taxable year on the original net tax capacity, the city, township or school district may include an additional amount in its tax levy made following final determination and notice of the reduction in net tax capacity. The amount shall equal the sum of any interest paid on the abatement refunds and the difference between the total amount of taxes actually levied and certified for that taxable year upon the original net tax capacity, not exceeding the maximum amount which could be raised on the net tax capacity as reduced, within existing local tax rate limitations, if any, and the amount of taxes collected for that taxable year on the reduced net tax capacity. The total tax levy authorized for a school district by this section shall be reduced by the total amount of any abatement adjustments received by the district pursuant to section 124.214, subdivision 2, in the same calendar year in which the levy is certified. As part of the certification required by section 124.918, subdivision 1, the commissioner of education shall certify the amount of the abatement levy limitation adjustment for each school district headquartered in that county.

Except for school districts, the amount of taxes so included shall be levied separately and shall be levied in addition to all limitations imposed by law; and further shall not result in any penalty in the nature of a reduction in state aid of any kind.

Sec. 10. [COMMISSIONER APPROVAL; INTEREST ON PAYMENTS.]

For taxes payable in 1994, the commissioner of education must grant approval of all levies for interest payments on abatement refunds. If the total amount of levy would exceed \$917,000, the commissioner shall proportionately reduce each district's interest on abatements levy."

Page 168, after line 25, insert:

"Sec. 15. [EARLY RETIREMENT INCENTIVE.]

Subdivision 1. [BOARD MUST OFFER.] A school board must offer the early retirement incentive provided in this section to a teacher, as defined in Minnesota Statutes, section 354.05, subdivision 2, or 354A.011, subdivision 27, who is eligible under subdivision 2.

Subd. 2. [ELIGIBILITY.] A teacher is eligible to receive the incentive if the person:

(1) has at least 25 years of combined service credit in any Minnesota public pension plans governed by Minnesota Statutes, section 356.30, subdivision 3, or is at least 65 years old and has at least one year of combined service credit in these pension plans;

(2) upon retirement is immediately eligible for a retirement annuity from a defined benefit plan;

(3) is at least 55 years of age; and

(4) retires on or after May 17, 1993, and before August 1, 1993.

Subd. 3. [INCENTIVE.] For a person who selects the incentive under this section, the multiplier percentage used to calculate the retirement annuity must be increased by .10 for each year of allowable service credit up to 30 years.

Subd. 4. [LIMITS ON REHIRING.] During the biennium ending June 30, 1995, a school board may not hire a replacement for a person who retires under this subdivision, except under position-specific action of the board.

Subd. 5. [CONDITIONS.] For purposes of this section, a person retires when the person terminates active employment and applies for retirement benefits. An employee who retires under this section using the rule of 90 must not be included in the calculations required by Minnesota Statutes, section 356.85."

Page 174, after line 7, insert:

"Section 9 is effective July 1, 1993, and applies, for the first time, to levies for 1993 taxes payable in 1994.

Section 15 is effective the day following final enactment."

Renumber the sections in article 8 in sequence

Page 174, line 9, delete "CHOICE PROGRAMS" and insert "MISCELLANEOUS"

Page 186, strike lines 22 to 30

Page 196, line 29, delete "or" and insert "and"

Page 201, line 10, delete "and" and after "2f" insert "; and 123.3514, subdivision 6"

Correct internal references

Amend the title as follows:

Page 1, line 6, before "miscellaneous" insert "other education programs;"

Page 1, line 7, delete "programs and"

Page 1, line 9, before "appropriating" insert "making conforming changes;"

Page 2, line 10, after the first semicolon insert "124.84, subdivision 3;"

Page 2, line 31, after the semicolon insert "273.1398, by adding a subdivision; 275.48;"

Page 2, line 33, before "proposing" insert "Laws 1991, chapters 256, article 8, section 14, as amended; 265, articles 1, section 30; and 2, section 19, subdivision 2; and Laws 1992, chapters 499, article 8, section 33; 571, article 10, section 29;"

Page 2, line 34, delete "Laws"

Page 2, delete lines 35 to 37

Page 2, line 38, delete everything before "repealing"

Page 2, line 42, before "and" insert "145.926;"

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

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 416, A bill for an act relating to government data practices; providing for the issuance of commissioner's opinions under the data practices act; proposing coding for new law in Minnesota Statutes, chapter 13.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [13.072] [OPINIONS BY THE COMMISSIONER.]

Subdivision 1. [OPINION; WHEN REQUIRED.] (a) Upon request of a state agency, statewide system, or political subdivision, the commissioner may give a written opinion on any question relating to public access to government data, rights of subjects of data, or classification of data under chapter 13 or other Minnesota statutes governing government data practices. Upon request of any person who disagrees with a determination regarding data practices made by a state agency, statewide system, or political subdivision, the commissioner may give a written opinion regarding the person's rights as a subject of government data or right to have access to government data. If the commissioner determines that no opinion will be issued, the commissioner shall give the state agency, statewide system, political subdivision, or person requesting the opinion notice of the decision not to issue the opinion within five days of receipt of the request. If this notice is not given, the commissioner shall issue an opinion within 20 days of receipt of the request. For good cause and upon written notice to the person requesting the opinion, the commissioner may extend this deadline for one additional 30-day period. The notice must state the reason for extending the deadline. The state agency, statewide system, or political subdivision must be provided a reasonable opportunity to explain the reasons for its decision regarding the data. The commissioner or the state agency, statewide system, or political subdivision may choose to give notice to the subject of the data concerning the dispute regarding the data.

(b) This section does not apply to a question involving the exercise of a discretionary power specifically granted by statute to a responsible authority to withhold or grant access to government data in a manner different than the data's general statutory classification.

(c) A written opinion issued by the attorney general shall take precedence over an opinion issued by the commissioner under this section.

Subd. 2. [EFFECT.] Opinions issued by the commissioner under this section are not binding on the state agency, statewide system, or political subdivision whose data is the subject of the opinion. The commissioner shall arrange for public dissemination of opinions issued under this section. This section does not preclude a person from bringing any other action under this chapter or other law in addition to or instead of requesting a written opinion. A state agency, statewide system, political subdivision, or person that acts in conformity with a written opinion of the commissioner is not liable for compensatory or exemplary damages or awards of attorneys fees in actions under section 13.08 or for a penalty under section 13.09.

Subd. 3. [FEE.] A state agency, statewide system, or political subdivision that requests an opinion must pay a fee of \$200 for each request.

Sec. 2. [REPEALER.]

Section 1 is repealed effective August 1, 1995."

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1746, A bill for an act relating to the organization and operation of state government; appropriating money for criminal justice, corrections, and related purposes; providing for the transfer of certain money in the state treasury; amending Minnesota Statutes 1992, sections 43A.02, subdivision 25; 43A.24, subdivision 2; 121.88, subdivision 9; 124.2713, subdivisions 5 and 6; 124C.46, subdivision 1; 169.1265, subdivision 1; 179.02, by adding a subdivision; 271.07; 357.021, subdivisions 1a and 2; 357.022; 357.18, subdivision 3; 357.24; 484.74, subdivision 1; 484.76, subdivision 1; 508.82; 508A.82; 548.23; 548.30; 549.02; 593.48; 609.101, subdivision 4; 611.17; 611.20; 611.25, subdivision 3; 611.26, subdivision 3; 611.27, subdivisions 4 and 13; 611.271; 626.861, subdivision 4; and Laws 1989, chapter 335, article 3, section 44, as amended; proposing coding for new law in Minnesota Statutes, chapters 121; 242; 244; 609; and 611; proposing coding for new law as Minnesota Statutes, chapter 491A.

Reported the same back with the following amendments:

Page 9, after line 12, insert:

"Sec. 10. Minnesota Statutes 1992, section 270B.14, is amended by adding a subdivision to read:

Subd. 12. [DISCLOSURE TO DISTRICT COURT.] (a) The commissioner may disclose return information to the district court concerning returns filed under chapter 290, as limited by paragraph (b), as necessary to verify income information in order to determine public defender eligibility.

(b) The commissioner may disclose to the district court only the name and any relevant information from the most recently filed tax returns of persons seeking representation by a public defender.

(c) Data received under this subdivision may be used for the purposes of determining public defender eligibility under section 611.17 and shall be private and for the exclusive use of the court except for any prosecution under section 609.48."

Page 36, line 11, delete "\$329,000" and insert "\$222,000"

Page 42, line 25, after the period insert "If a portion of the suburban metropolitan area is not included in the metropolitan grant proposal, the statewide grant proposal must incorporate at least one suburban metropolitan area."

Page 48, line 7, delete "an annual" and insert "a monthly"

Page 55, line 25, delete "11" and insert "12"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, after the first semicolon insert "270B.14, by adding a subdivision;"

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 416 was read for the second time.

MOTIONS AND RESOLUTIONS

Cooper moved that the name of Worke be added as an author on H. F. No. 867. The motion prevailed.

Farrell moved that the name of Olson, K., be added as an author on H. F. No. 1042. The motion prevailed.

Orenstein moved that H. F. No. 1319 be recalled from the Committee on Local Government and Metropolitan Affairs and be re-referred to the Committee on Taxes. The motion prevailed.

Stanis moved that H. F. No. 1094, now on General Orders, be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance. The motion prevailed.

Lieder moved that H. F. No. 1366, now on General Orders, be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance. The motion prevailed.

Davids moved that H. F. No. 1565 be returned to its author. The motion prevailed.

ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 1:30 p.m., Wednesday, April 21, 1993. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 1:30 p.m., Wednesday, April 21, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

