

STATE OF MINNESOTA
SEVENTY-EIGHTH SESSION — 1994

EIGHTY-SECOND DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 4, 1994

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

Prayer was offered by Pastor Patrice Nordstrand, Bethel-Trinity Lutheran Church, Bovey, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

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

A quorum was present.

Dauner, Farrell, Kinkel and McGuire were excused.

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

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

March 31, 1994

The Honorable Irv Anderson
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Anderson:

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

H. F. No. 2130, relating to counties; St. Louis; assigned the former town of Payne to the 7th commissioner district.

Warmest regards,

ARNE H. CARLSON
Governor

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

The Honorable Irv Anderson
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 1994 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:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1994	Date Filed 1994
1709		383	9:14 a.m. March 31	March 31
	2130	384	9:12 a.m. March 31	March 31
1750		385	9:17 a.m. March 31	March 31

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

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

H. F. No. 1682, A bill for an act relating to the environment; regulating packaging; requiring a packaging study; setting mandatory recycled content for certain products and packaging; listing preferences for use of packaging; regulating transport packaging; regulating discardable packaging; prohibiting the refusal to stock reusable containers; prohibiting deceptive environmental marketing claims; requiring a wood waste and wood products residue marketing plan; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 115A.03, subdivision 24b; 115A.072, subdivision 4; and 115A.5501, subdivision 2, and by adding a subdivision; Minnesota Statutes 1993 Supplement, section 16B.122, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 16B; 115A; 116F; and 325E.

Reported the same back with the following amendments:

Page 14, delete section 20

Amend the title as follows:

Page 1, lines 10 and 11, delete "appropriating money;"

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. 1792, A bill for an act relating to family; adopting the uniform interstate family support act; repealing the revised uniform reciprocal enforcement of support act; proposing coding for new law in Minnesota Statutes, chapter 518C; repealing Minnesota Statutes 1992, sections 518C.01 to 518C.36.

Reported the same back with the following amendments:

Page 4, after line 6, insert:

"(w) "Petition" means a petition or comparable pleading used pursuant to section 518.551, subdivision 10."

Page 4, delete line 8, and insert:

"A court, administrative agency, or quasi-judicial entity authorized to establish, enforce, or modify support orders or to determine parentage are tribunals of this state."

Page 4, line 22, after "state" insert ", or comparable document"

Page 4, line 36, delete "257.74" and insert "257.75"

Page 26, after line 25, insert:

"Sec. 51. [518C.9011] [EXISTING REVISED UNIFORM RECIPROCAL ENFORCEMENT OF SUPPORT ACT ACTIONS.]

Any action or proceeding under the Revised Uniform Reciprocal Enforcement of Support Act (RURESA) pending on the effective date of this section shall continue under the provisions of RURESA until the court makes a decision on the action or proceeding."

Page 26, after line 36, insert:

"Sec. 54. [EFFECTIVE DATE.]

This act is effective January 1, 1995."

Renummer the sections in sequence and correct internal references

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. 1834, A bill for an act relating to solid waste management; postponing the prohibition on disposing of unprocessed mixed municipal solid waste at substandard landfills under specific circumstances; amending Minnesota Statutes 1993 Supplement, section 115A.415.

Reported the same back with the following amendments:

Page 1, strike lines 22 to 25

Page 2, line 8, delete "and"

Page 2, line 12, delete the period and insert a semicolon

Page 2, after line 12, insert:

"(6) serves one or more counties, each of which is implementing aggressive waste reduction efforts, aggressive household hazardous waste management programs, and has met and exceeded its recycling goals under section 115A.551; and

(7) receives an annual volume of waste disposal that does not exceed 1993 levels by more than five percent or serves only the host county.

Subd. 3. [DEFINITION; UNPROCESSED.] (a) For the purpose of this section, waste is "unprocessed" if it has not, after collection and before disposal, undergone separation of materials for resource recovery through recycling, incineration for energy production, production and use of refuse-derived fuel, composting, or any combination of these processes so that the percentage, by weight, of the collected waste that must be disposed of in a mixed municipal solid waste disposal facility, on an annual average, is not more than:

(1) 35 percent for waste collected from generators for whom a waste collector or local government unit provides collection and management of recyclables separately from collection and management of mixed municipal solid waste; or

(2) 20 percent for waste collected from generators for whom a waste collector or local government unit provides collection of recyclables combined with mixed municipal solid waste.

(b) For the purposes of paragraph (a), a mixed municipal solid waste generator is provided separate collection and management of recyclables if the generator has the opportunity to separately recycle as described in section 115A.552 and the waste collector that serves the generator does not override the opportunity to separately recycle by collecting recyclables combined with mixed municipal solid waste for separate or combined management of the recyclables after collection.

(c) Nothing in this section affects the responsibility of counties for recycling activities under chapter 115A."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1861, A bill for an act relating to manufactured homes; restricting the venue for repossession actions to the county in which the manufactured home is located; making technical changes; amending Minnesota Statutes 1992, sections 327.63, subdivision 1; 327.64, subdivision 2; and 327.65.

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

The report was adopted.

Rice from the Committee on Economic Development, Infrastructure and Regulation Finance to which was referred:

H. F. No. 1985, A bill for an act relating to partnerships; providing for the registration and operation of limited liability partnerships; appropriating money; amending Minnesota Statutes 1992, sections 319A.02, subdivision 5; 319A.05; 319A.06, subdivision 2; 319A.07; 319A.12, subdivisions 1, 1a, and 2; 323.02, subdivision 8, and by adding a subdivision; 323.06; 323.14; 323.17; 323.35; and 323.39; Minnesota Statutes 1993 Supplement, section 319A.02, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 323.

Reported the same back with the following amendments:

Page 16, line 21, delete "\$....." and insert "\$19,000"

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. 1999, A bill for an act relating to insurance; requiring disclosure of information relating to insurance fraud; granting immunity for reporting suspected insurance fraud; requiring insurers to develop antifraud plans; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 60A.

Reported the same back with the following amendments:

Page 3, line 6, after "person" insert "stating that the authorized person has reason to believe that a crime or civil fraud have been committed in connection with an insurance claim, payment, or application"

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. 2005, A bill for an act relating to traffic regulations; authorizing peace officers to stop drivers and issue citations for seat belt violations without first observing a moving violation; amending Minnesota Statutes 1993 Supplement, section 169.686, subdivision 1.

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. 2023, A bill for an act relating to family law; adding a relevant factor in determination of a child's best interests; amending Minnesota Statutes 1992, section 518.17, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 15, after "(13)" insert "except in cases in which a finding of domestic abuse as defined in section 518B.01 has been made," and after "permit" insert "frequent and continuing"

Page 2, line 16, delete ", and the capacity and"

Page 2, lines 17 to 20, delete the new language

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. 2088, A bill for an act relating to civil commitment; modifying procedures relating to administering intrusive mental health treatment to persons committed as mentally ill and dangerous under the civil commitment act; amending Minnesota Statutes 1992, sections 13.42, subdivision 3; 253B.02, by adding a subdivision; 253B.03, subdivision 6c; and 253B.12, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 13.42, subdivision 3, is amended to read:

Subd. 3. [CLASSIFICATION OF MEDICAL DATA.] Unless the data is summary data or a statute specifically provides a different classification, medical data are private but are available only to the subject of the data as provided in section 144.335, and shall not be disclosed to others except:

- (a) pursuant to section 13.05;
- (b) pursuant to a valid court order;
- (c) to administer federal funds or programs;
- (d) to the surviving spouse, parents, children, and siblings of a deceased patient or client or, if there are no surviving spouse, parents, children, or siblings, to the surviving heirs of the nearest degree of kindred;
- (e) to communicate a patient's or client's condition to a family member or other appropriate person in accordance with acceptable medical practice, unless the patient or client directs otherwise; or
- (f) data on past administration of neuroleptic medication may be released to a treating physician who must make medical decisions with respect to prescribing and administering neuroleptic medication under section 253B.03, subdivision 6c; or
- (g) as otherwise required by law.

Sec. 2. Minnesota Statutes 1992, section 253B.03, subdivision 6b, is amended to read:

Subd. 6b. [CONSENT FOR MENTAL HEALTH TREATMENT.] A competent person admitted ~~or committed~~ without commitment to a treatment facility may be subjected to intrusive mental health treatment only with the person's written informed consent. For purposes of this section, "intrusive mental health treatment" means

electroshock therapy and neuroleptic medication and does not include treatment for mental retardation. An incompetent person who has prepared a directive under subdivision 6d regarding treatment with intrusive therapies must be treated in accordance with this section, except in cases of emergencies.

Sec. 3. Minnesota Statutes 1992, section 253B.03, subdivision 6c, is amended to read:

Subd. 6c. [ADMINISTRATION OF NEUROLEPTIC MEDICATIONS.] (a) Neuroleptic medications may be administered to persons committed as mentally ill or mentally ill and dangerous only as described in this subdivision.

(b) A treating physician required to make medical judgments under this subdivision regarding the administration of neuroleptic medication has access to a patient's records on past administration of neuroleptic medication at any treatment facility. Upon request of a treating physician under this subdivision, a treatment facility shall supply complete information relating to the past records on administration of neuroleptic medication of a patient subject to this subdivision.

(c) A neuroleptic medication may be administered treatment provider may prescribe and administer neuroleptic medication without judicial review to a patient or a proposed patient who:

(1) is competent to consent to neuroleptic medications if the patient has given written, informed consent to administration of the neuroleptic medication; the treatment and has signed a written, informed consent;

(e) A neuroleptic medication may be administered to a patient who (2) is not competent to consent to neuroleptic medications if the patient, when competent, prepared a declaration under subdivision 6d requesting the treatment or authorizing a proxy to request the treatment or if a court approves the administration of the neuroleptic medication; and the proxy has requested the neuroleptic medication;

(d) A neuroleptic medication may be administered without court review to a patient who (3) has not prepared a declaration under subdivision 6d and who is not competent to consent to neuroleptic medications if:

(1) (i) the patient does not object to or refuse the medication;

(2) (ii) a guardian ad litem appointed by the court with authority to consent to neuroleptic medications gives written, informed consent to the administration of the neuroleptic medication; and

(3) (iii) a multidisciplinary treatment review panel composed of persons who are not engaged in providing direct care to the patient gives written approval to administration of the neuroleptic medication; or

(e) A neuroleptic medication may be administered without judicial review and without consent (4) refuses prescribed neuroleptic medication and is in an emergency situation. Medication may be administered for so long as the emergency continues to exist, up to 14 days, if the treating physician determines that the medication is necessary to prevent serious, immediate physical harm to the patient or to others. If a petition for authorization to administer medication is filed within the 14 days, the treating physician may continue the medication through the date of the court hearing if the emergency continues to exist. The treatment facility shall document the emergency in the patient's medical record in specific behavioral terms.

A treatment provider may prescribe and administer neuroleptic medications to a patient who does not object or refuse and who is under a guardianship or conservatorship, if the guardian or conservator is acting within the scope of the authority granted under section 525.5515 and has given written permission to the treatment provider or facility to administer neuroleptic medications.

(f) A person who consents to treatment pursuant to this subdivision is not civilly or criminally liable for the performance of or the manner of performing the treatment. A person is not liable for performing treatment without consent if written, informed consent was given pursuant to this subdivision. This provision does not affect any other liability that may result from the manner in which the treatment is performed.

(g) (d) The court may allow and order paid to a guardian ad litem a reasonable fee for services provided under paragraph (c), or the court may appoint a volunteer guardian ad litem.

(h) A medical director or patient may petition the committing court, or the court to which venue has been transferred, for a hearing concerning the administration of neuroleptic medication. A hearing may also be held pursuant to section 253B.08, 253B.09, 253B.12, or 253B.18. The hearing concerning the administration of neuroleptic medication must be held within 14 days from the date of the filing of the petition. The court may extend the time for hearing up to an additional 15 days for good cause shown.

(e) A treatment facility must obtain judicial review to administer neuroleptic medication to a patient who refuses to take the medication, or when an independent medical review does not support the prescribed treatment.

(f) A physician on behalf of a treatment facility may file a petition requesting authorization to administer neuroleptic medication to a patient or a proposed patient who is not competent to consent to the prescribed medication, as certified by a physician, and who refuses to take the prescribed medication. A patient may also file a petition for a review of neuroleptic medication.

(g) A petition may be filed with the district court in the county of commitment or the county in which the patient is being held or treated. The petition may be heard as part of any other district court proceeding under this chapter. The hearing must be held within 14 days from the date of the filing of the petition. By agreement of the parties, or for good cause shown, the court may extend the time of hearing an additional 30 days.

(h) If the petitioning facility has a treatment review panel, the panel shall review the appropriateness of the proposed medication and submit its recommendations to the court and to the patient's counsel at least two days prior to the hearing.

(i) The patient must be examined by a court examiner prior to the hearing. The patient is entitled to counsel, a second examiner, if requested by the patient or patient's counsel, and, if requested by any party, a guardian ad litem.

(j) The court shall determine by clear and convincing evidence whether the patient is incompetent to consent to the neuroleptic medication and whether the involuntary administration of medication is necessary to treat the patient's mental illness. The court may base its decision on the opinion of its examiner, a member of the patient's treatment team, the patient's medical records, and any evidence which the court determines to be relevant and admissible.

(k) If the patient is found to be competent to decide whether to take neuroleptic medication, the treating facility may not administer medication without the patient's informed written consent or without the declaration of an emergency, or until further review by the court.

(l) If the patient is found incompetent to decide whether to take neuroleptic medication, the court may authorize the treating facility, and any other community facility to which the patient may be transferred or discharged, to involuntarily administer the medication to the patient. A finding of incompetence under this section must not be construed to determine the patient's competence for any other purpose.

(m) The court may, but is not required to, limit the maximum dosage of neuroleptic medication which may be administered.

(n) The court may authorize the administration of neuroleptic medication for the duration of a determinate commitment. If the patient is committed for an indeterminate period, the court may authorize treatment of neuroleptic medication for not more than two years, subject to the patient's right to petition the court for review of the order. The treatment facility must submit annual reports to be reviewed by the court, the patient, and the respective attorneys.

(o) If the patient is transferred to a facility that has a treatment review panel, the facility shall review the appropriateness of the patient's medication within 30 days after the patient begins treatment at the facility.

Sec. 4. Minnesota Statutes 1992, section 253B.05, subdivision 2, is amended to read:

Subd. 2. [PEACE OR HEALTH OFFICER HOLD.] (a) A peace or health officer may take a person into custody and transport the person to a licensed physician or treatment facility if the officer has reason to believe, or there is probable cause to believe based on the person's recent behavior and public knowledge of past psychiatric hospitalization, that the person is mentally ill or mentally retarded and in imminent danger of injuring self or others if not immediately restrained. A peace or health officer or a person working under such officer's supervision, may take a person who is believed to be chemically dependent or is intoxicated in public into custody and transport the

person to a treatment facility. If the person is intoxicated in public or is believed to be chemically dependent and is not in danger of causing self-harm or harm to any person or property, the peace or health officer may transport the person home. Written application for admission of the person to a treatment facility shall be made by the peace or health officer. The application shall contain a statement given by the peace or health officer specifying the reasons for and circumstances under which the person was taken into custody. If imminent danger to specific individuals is a basis for the emergency hold, the statement must include identifying information on those individuals, to the extent practicable. A copy of the statement shall be made available to the person taken into custody.

(b) A person may be admitted to a treatment facility for emergency care and treatment under this subdivision with the consent of the head of the facility under the following circumstances: a written statement is made by the medical officer on duty at the facility that after preliminary examination the person has symptoms of mental illness or mental retardation and appears to be in imminent danger of harming self or others; or, a written statement is made by the institution program director or the director's designee on duty at the facility that after preliminary examination the person has symptoms of chemical dependency and appears to be in imminent danger of harming self or others or is intoxicated in public.

Sec. 5. Minnesota Statutes 1992, section 253B.05, subdivision 3, is amended to read:

Subd. 3. [DURATION OF HOLD.] (a) Any person held pursuant to this section may be held up to 72 hours, exclusive of Saturdays, Sundays, and legal holidays, after admission unless a petition for the commitment of the person has been filed in the probate court of the county of the person's residence or of the county in which the treatment facility is located and the court issues an order pursuant to section 253B.07, subdivision 6. If the head of the treatment facility believes that commitment is required and no petition has been filed, the head of the treatment facility shall file a petition for the commitment of the person. The hospitalized person may move to have the venue of the petition changed to the probate court of the county of the person's residence, if the person is a resident of Minnesota.

(b) The head of the treatment facility shall immediately notify the agency which employs the peace or health officer who transported the person to the treatment facility under this section, if the head of the treatment facility releases the person during the 72-hour hold period.

(c) During the 72-hour hold period, a court may not release a person held under this section unless the court has received a written petition for release and held a summary hearing regarding the release. The petition must include the name of the person being held, the basis for and location of the hold, and a statement as to why the hold is improper. The petition also must include copies of any written documentation under subdivision 1 or 2 in support of the hold, unless the person holding the petitioner refuses to supply the documentation. The hearing must be held as soon as practicable and may be conducted by means of a telephone conference call or similar method by which the participants are able to simultaneously hear each other. If the court decides to release the person, the court shall issue written findings supporting the decision, but may not delay the release. Before deciding to release the person, the court shall make every reasonable effort to provide notice of the proposed release to: (1) any specific individuals identified in a statement under subdivision 1 or 2 or in the record as individuals who might be endangered if the person was not held; and (2) the examiner whose written statement was a basis for a hold under subdivision 1 or the peace or health officer who applied for a hold under subdivision 2.

Sec. 6. Minnesota Statutes 1992, section 253B.07, subdivision 1, is amended to read:

Subdivision 1. [PREPETITION SCREENING.] (a) Prior to filing a petition for commitment of a proposed patient, an interested person shall apply to the designated agency in the county of the proposed patient's residence or presence for conduct of a preliminary investigation, except when the proposed patient has been acquitted of a crime under section 611.026 and the county attorney is required to file a petition for commitment pursuant to subdivision 2. In any case coming within this exception, the county attorney shall apply to the designated county agency in the county in which the acquittal took place for a preliminary investigation unless substantially the same information relevant to the proposed patient's current mental condition as could be obtained by a preliminary investigation is part of the court record in the criminal proceeding or is contained in the report of a mental examination conducted in connection with the criminal proceeding. The designated agency shall appoint a screening team to conduct an investigation which shall include:

(i) a personal interview with the proposed patient and other individuals who appear to have knowledge of the condition of the proposed patient. If the proposed patient is not interviewed, reasons must be documented;

(ii) identification and investigation of specific alleged conduct which is the basis for application; and

(iii) identification, exploration, and listing of the reasons for rejecting or recommending alternatives to involuntary placement; and

(iv) if involuntary placement is recommended, a determination of whether the proposed patient is competent to consent to any administration of neuroleptic medication, and if not, whether the proposed patient would object to or refuse administration of neuroleptic medication.

(b) In conducting the investigation required by this subdivision, the screening team shall have access to all relevant medical records of proposed patients currently in treatment facilities. Data collected pursuant to this clause shall be considered private data on individuals.

(c) When the prepetition screening team recommends commitment, a written report shall be sent to the county attorney for the county in which the petition is to be filed.

(d) The prepetition screening team shall refuse to support a petition if the investigation does not disclose evidence sufficient to support commitment. Notice of the prepetition screening team's decision shall be provided to the prospective petitioner.

(e) If the interested person wishes to proceed with a petition contrary to the recommendation of the prepetition screening team, application may be made directly to the county attorney, who may determine whether or not to proceed with the petition. Notice of the county attorney's determination shall be provided to the interested party.

(f) If a court petitions for commitment pursuant to the rules of criminal procedure or a county attorney petitions pursuant to acquittal of a criminal charge under section 611.026, the prepetition investigation, if required by this section, shall be completed within seven days after the filing of the petition.

Sec. 7. Minnesota Statutes 1992, section 253B.09, subdivision 2, is amended to read:

Subd. 2. [FINDINGS.] (a) The court shall find the facts specifically, separately state its conclusions of law, and direct the entry of an appropriate judgment. Where commitment is ordered, the findings of fact and conclusions of law shall specifically state the proposed patient's conduct which is a basis for determining that each of the requisites for commitment is met.

(b) If commitment is ordered, the findings shall also include a listing of less restrictive alternatives considered and rejected by the court and the reasons for rejecting each alternative.

(c) If the prepetition screening team has determined that a patient is not competent to consent to the administration of neuroleptic medication but would not object to or refuse the administration of neuroleptic medication, the court may, at the time of commitment, appoint a guardian ad litem for purposes of section 253B.03, subdivision 6c, paragraph (c), clause (3).

Sec. 8. Minnesota Statutes 1992, section 253B.12, subdivision 1, is amended to read:

Subdivision 1. [REPORT.] Prior to the termination of the initial commitment order or final discharge of the patient, the head of the facility shall file a written report with the committing court with a copy to the patient and patient's counsel, setting forth in detailed narrative form at least the following:

- (1) the diagnosis of the patient with the supporting data;
- (2) the anticipated discharge date;
- (3) an individualized treatment plan;
- (4) a detailed description of the discharge planning process with suggested after care plan;
- (5) whether the patient is in need of further care and treatment with evidence to support the response;
- (6) whether any further care and treatment must be provided in a treatment facility with evidence to support the response;

(7) whether in the opinion of the head of the facility the patient must continue to be committed to a treatment facility; and

(8) whether in the opinion of the head of the facility the patient satisfies the statutory requirement for continued commitment, with documentation to support the opinion; and

(9) whether the administration of neuroleptic medication is clinically indicated, whether the patient is able to give informed consent to that medication, and the basis for these opinions.

Sec. 9. Minnesota Statutes 1992, section 253B.17, subdivision 1, is amended to read:

Subdivision 1. [PETITION.] Any patient, except one committed as mentally ill and dangerous to the public, or any interested person may petition the committing court or the court to which venue has been transferred for an order that the patient is not in need of continued institutionalization or for an order that an individual is no longer mentally ill, mentally retarded, or chemically dependent, or for any other relief as the court deems just and equitable. ~~A patient committed as mentally ill or mentally ill and dangerous may petition the committing court or the court to which venue has been transferred for a hearing concerning the administration of neuroleptic medication. A hearing may also be held pursuant to sections 253B.08, 253B.09, 253B.12, and 253B.18.~~

Sec. 10. Minnesota Statutes 1992, section 525.56, subdivision 3, is amended to read:

Subd. 3. The court may appoint a guardian of the person if it determines that all the powers and duties listed in this subdivision are needed to provide for the needs of the incapacitated person. The court may appoint a conservator of the person if it determines that a conservator is needed to provide for the needs of the incapacitated person through the exercise of some, but not all, of the powers and duties listed in this subdivision. The duties and powers of a guardian or those which the court may grant to a conservator of the person include, but are not limited to:

(1) The power to have custody of the ward or conservatee and the power to establish a place of abode within or without the state, except as otherwise provided in this clause. The ward or conservatee or any person interested in the ward's or conservatee's welfare may petition the court to prevent or to initiate a change in abode. A ward or conservatee may not be admitted to a regional treatment center by the guardian or conservator except (1) after a hearing pursuant to chapter 253B; (2) for outpatient services; or (3) for the purpose of receiving temporary care for a specific period of time not to exceed 90 days in any calendar year.

(2) The duty to provide for the ward's or conservatee's care, comfort and maintenance needs, including food, clothing, shelter, health care, social and recreational requirements, and, whenever appropriate, training, education, and habilitation or rehabilitation. The guardian or conservator has no duty to pay for these requirements out of personal funds. Whenever possible and appropriate, the guardian or conservator should meet these requirements through governmental benefits or services to which the ward or conservatee is entitled, rather than from the ward's or conservatee's estate. Failure to satisfy the needs and requirements of this clause shall be grounds for removal of a private guardian or conservator, but the guardian or conservator shall have no personal or monetary liability.

(3) The duty to take reasonable care of the ward's or conservatee's clothing, furniture, vehicles, and other personal effects, and, if other property requires protection, the power to seek appointment of a guardian or conservator of the estate. The guardian or conservator must give notice in the manner required and to those persons specified in section 525.55 prior to the disposition of the ward's or conservatee's clothing, furniture, vehicles, or other personal effects. The notice must inform the person of the right to object to the disposition of the property within ten days and to petition the court for a review of the guardian's or conservator's proposed actions. Notice of the objection must be served by mail or personal service on the guardian or conservator and the ward or conservatee unless the ward or conservatee be the objector. The guardian or conservator served with notice of an objection to the disposition of the property may not dispose of the property unless the court approves the disposition after a hearing.

(4)(a) The power to give any necessary consent to enable the ward or conservatee to receive necessary medical or other professional care, counsel, treatment or service, except that including neuroleptic medication. No guardian or conservator may give consent for psychosurgery, electroshock, sterilization, or experimental treatment of any kind unless the procedure is first approved by order of the court as provided in this clause. The guardian or conservator shall not consent to any medical care for the ward or conservatee which violates the known conscientious, religious, or moral belief of the ward or conservatee.

(b) A guardian or conservator who believes a procedure described in clause (4)(a) requiring prior court approval to be necessary for the proper care of the ward or conservatee shall petition the court for an order and, in the case of a public guardianship or conservatorship under chapter 252A, obtain the written recommendation of the commissioner of human services. The court shall fix the time and place for the hearing and shall give notice to the ward or conservatee and to the other persons specified in section 525.55, subdivision 1. The notice shall comply with the requirements of, and be served in the manner provided in section 525.55, subdivision 2. The court shall appoint an attorney to represent the ward or conservatee who is not represented by counsel. In every case the court shall determine if the procedure is in the best interests of the ward or conservatee. In making its determination, the court shall consider a written medical report which specifically considers the medical risks of the procedure, whether alternative, less restrictive methods of treatment could be used to protect the best interests of the ward or conservatee, and any recommendation of the commissioner of human services for a public ward or conservatee. The standard of proof is that of clear and convincing evidence.

(c) In the case of a petition for sterilization of a mentally retarded ward or conservatee, the court shall appoint a licensed physician, a psychologist who is qualified in the diagnosis and treatment of mental retardation, and a social worker who is familiar with the ward's or conservatee's social history and adjustment or the case manager for the ward or conservatee to examine or evaluate the ward or conservatee and to provide written reports to the court. The reports shall indicate why sterilization is being proposed, whether sterilization is necessary and is the least intrusive method for alleviating the problem presented, and whether it is in the best interests of the ward or conservatee. The medical report shall specifically consider the medical risks of sterilization, the consequences of not performing the sterilization, and whether alternative methods of contraception could be used to protect the best interests of the ward or conservatee.

(d) Any conservatee whose right to consent to a sterilization has not been restricted under this section or section 252A.101, may be sterilized only if the conservatee consents in writing or there is a sworn acknowledgment by an interested person of a nonwritten consent by the conservatee. The consent must certify that the conservatee has received a full explanation from a physician or registered nurse of the nature and irreversible consequences of the sterilization operation.

(e) A guardian or conservator or the public guardian's designee who acts within the scope of authority conferred by letters of guardianship under section 252A.101, subdivision 7, and according to the standards established in this chapter or in chapter 252A shall not be civilly or criminally liable for the provision of any necessary medical care, including but not limited to, the administration of psychotropic medication or the implementation of aversive and deprivation procedures to which the guardian or conservator or the public guardian's designee has consented.

(5) The power to approve or withhold approval of any contract, except for necessities, which the ward or conservatee may make or wish to make.

(6) The duty and power to exercise supervisory authority over the ward or conservatee in a manner which limits civil rights and restricts personal freedom only to the extent necessary to provide needed care and services."

Delete the title and insert:

"A bill for an act relating to civil commitment; modifying procedures relating to administering intrusive mental health treatment to persons committed as mentally ill and dangerous under the civil commitment act; amending Minnesota Statutes 1992, sections 13.42, subdivision 3; 253B.03, subdivisions 6b and 6c; 253B.05, subdivisions 2 and 3; 253B.07, subdivision 1; 253B.09, subdivision 2; 253B.12, subdivision 1; 253B.17, subdivision 1; and 525.56, subdivision 3."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2124, A bill for an act relating to retirement; state university and state community college individual retirement account plans; clarifying various plan provisions; providing for plan coverage for technical college teachers; providing for an optional election of plan coverage for certain state university and community college teachers;

mandating the preparation of plan recodification legislation; amending Minnesota Statutes 1992, sections 354.05, subdivision 2a; 354A.011, subdivision 15, and by adding a subdivision; 354B.01, by adding a subdivision; 354B.015; and 354B.02, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 352.04, subdivision 9; and 354B.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 354B.

Reported the same back with the following amendments:

Page 1, after line 17, insert:

"ARTICLE 1"

Page 2, after line 9, insert:

"Sec. 2. Minnesota Statutes 1992, section 353.27, subdivision 7a, is amended to read:

Subd. 7a. [DEDUCTIONS OR CONTRIBUTIONS TRANSMITTED BY ERROR.] (a) If employee deductions and employer contributions were erroneously transmitted to the association, but should have been transmitted to another Minnesota public pension fund listed in section 356.30, subdivision 3 plan, the association shall transfer the erroneous employee deductions and employer contributions to the appropriate retirement fund without interest. The time limitations in subdivisions 7 and 12 do not apply.

(b) For purposes of this subdivision, a Minnesota public pension plan means a plan specified in section 356.30, subdivision 3, or the plan governed by chapter 354B."

Page 2, line 16, after "unless" insert "(1)" and reinstate the stricken language

Page 2, line 17, reinstate the stricken language

Page 2, line 18, after "purposes" insert "or, (2) the person is covered by section 354B.02, subdivision 1 or 5, or 354B.035, and elects coverage by the teachers retirement association"

Pages 2 and 3, delete sections 3 and 4 and insert:

"Sec. 4. Minnesota Statutes 1992, section 354.42, subdivision 7, is amended to read:

Subd. 7. [ERRONEOUS SALARY DEDUCTIONS OR DIRECT PAYMENTS.] (a) Any deductions taken from the salary of an employee for the retirement fund in error shall be refunded to the employee upon discovery and verification by the employing unit making the deduction, and the corresponding employer contribution and additional employer contribution amounts attributable to the erroneous salary deduction must be refunded to the employing unit.

(b) If salary deductions and employer contributions were erroneously transmitted to the retirement fund and should have been transmitted to another Minnesota public pension fund enumerated in section 356.30, subdivision 3 plan, the retirement fund must transfer these salary deductions and employer contributions to the appropriate public pension fund without interest. For purposes of this paragraph, a Minnesota public pension plan means a plan specified in section 356.30, subdivision 3, or the plan governed by chapter 354B.

(c) If a salary warrant or check from which a deduction for the retirement fund was taken has been canceled or the amount of the warrant or check has been returned to the funds of the employing unit making the payment, a refund of the amount deducted, or any portion of it that is required to adjust the salary deductions, shall be made to the employing unit.

(d) Any erroneous direct payments of member paid contributions or erroneous salary deductions that were not refunded in the regular processing of an employing unit's annual summary report shall be refunded to the member with interest computed using the rate and method specified in section 354.49, subdivision 2.

Sec. 5. Minnesota Statutes 1993 Supplement, section 354A.011, subdivision 27, is amended to read:

Subd. 27. [TEACHER.] "Teacher" means any person who renders service in a public school district located in the corporate limits of one of the cities of the first class which was so classified on January 1, 1979, as any of the following:

- (a) a full-time employee in a position for which a valid license from the state department of education is required;
- (b) an employee of the teachers retirement fund association located in the city of the first class unless the employee has exercised the option pursuant to Laws 1955, chapter 10, section 1, to retain membership in the Minneapolis employees retirement fund established pursuant to chapter 422A;
- (c) a part-time employee in a position for which a valid license from the state department of education is required; or
- (d) a part-time employee in a position for which a valid license from the state department of education is required who also renders other nonteaching services for the school district unless the board of trustees of the teachers retirement fund association determines that the combined employment is on the whole so substantially dissimilar to teaching service that the service shall not be covered by the association.

The term shall not mean any person who renders service in the school district as any of the following:

- (1) an independent contractor or the employee of an independent contractor;
- (2) an employee who is a full-time teacher covered by another teachers retirement fund association established pursuant to this chapter or chapter 354;
- (3) ~~an employee holding a part-time adult supplementary technical college license who renders part-time teaching service in a technical college if (1) the service is incidental to the regular nonteaching occupation of the person; and (2) the applicable technical college stipulates annually in advance that the part-time teaching service will not exceed 300 hours in a fiscal year; and (3) the part-time teaching service actually does not exceed 300 hours in a fiscal year; or~~
- (4) an employee exempt from licensure pursuant to section 125.031; or
- (4) an employee who is a teacher in a technical college located in a city of the first class unless the person elects coverage by the applicable first class city teacher retirement fund association under section 354B.02, subdivision 1, or 354B.035."

Page 3, line 26, delete everything after the period

Page 3, delete lines 27 to 29

Page 3, line 35, after "5," insert "or 354B.035,"

Page 4, line 14, delete the new language

Page 4, line 15, delete "section 354B.01, subdivision 4a," and insert "A person" and delete "are" and insert "was"

Page 4, line 16, after "employment" insert "or first included in coverage under section 354B.01, subdivision 4a,"

Page 4, line 20, after "employment" insert "and must be made"

Page 4, line 22, delete "this" and after "chapter" insert "354 or 354A"

Page 5, line 14, after "transfer" insert "election"

Page 5, line 21, after "credit" insert "must"

Page 5, line 23, after "deferred" insert "retirement"

Page 5, line 24, delete "An" and insert "A transfer"

Page 5, line 28, after "prospectively" insert "only" and after "association" insert a comma and after "effective" insert "on"

Page 5, line 29, after "transfer" insert "election"

Page 5, line 31, delete "must" and insert "are" and after "not" insert "eligible to"

Page 6, line 2, delete "Transfers" and insert "Transfer election"

Page 6, line 4, delete "receives" and insert "provides"

Page 6, line 14, delete "members" and insert "teaching personnel either" and after the first "may" insert "elect to"

Page 6, line 15, after "association" insert ", the Duluth teachers retirement fund association, the Minneapolis teachers retirement fund association, or the St. Paul teachers retirement fund association, as appropriate,"

Page 6, line 23, after "association" insert "or of a first class city teachers retirement fund association"

Page 6, line 24, before "plan" insert "appropriate"

Page 6, line 27, after "354.05" insert ", subdivision 13, or 354A.011, subdivision 4, whichever applies," and after the first "the" insert "appropriate"

Page 6, line 28, after "deferred" insert "retirement"

Page 6, line 30, after "11" insert ", or the appropriate first class city teacher retirement fund association under section 354A.37, subdivision 2"

Page 6, delete lines 31 to 36 and insert:

"Subd. 3. [EMPLOYER CONTRIBUTION AMOUNT FOR CERTAIN COVERAGE ELECTIONS.] Employer contributions for technical college teaching personnel who elect coverage by the teachers retirement association must be governed by section 354.42, subdivisions 3 and 5, and employer contributions for technical college teaching personnel who elect coverage by a first class city teacher retirement fund association must be governed by the applicable employer contribution provisions of section 354A.12, subdivision 2a."

Page 7, delete lines 1 to 14 and insert:

"Sec. 11. Minnesota Statutes 1993 Supplement, section 354B.05, subdivision 3, is amended to read:

Subd. 3. [SELECTION OF FINANCIAL INSTITUTIONS.] The supplemental investment fund administered by the state board of investment is one of the investment options for the plan. The state board of investment may select two up to five other financial institutions to provide annuity products. In making their selections, the board shall consider at least these criteria:

(1) the experience and ability of the financial institution to provide retirement and death benefits suited to the needs of the covered employees;

(2) the relationship of the benefits to their cost; and

(3) the financial strength and stability of the institution.

The state board of investment must periodically review at least every three years each financial institution selected by the state board of investment. The state board of investment may retain consulting services to assist in the periodic review, may establish a budget for its costs in the periodic review process, and may charge a proportional share of those costs to each financial institution selected by the state board of investment. All contracts must be approved by the state board of investment before execution by the state university board and the community college board. The state board of investment shall also establish policies and procedures under section 11A.04, clause (2), to carry out this subdivision.

The chancellor of the state university system and the chancellor of the state community college system shall redeem all shares in the accounts of the Minnesota supplemental investment fund held on behalf of personnel in the supplemental plan who elect an investment option other than the supplemental investment fund, except that shares in the fixed interest account must not be redeemed until the expiration dates for the guaranteed investment contracts. The chancellors shall transfer the cash realized to the financial institutions selected by the state university board and the community college board under section 354B.05.

Sec. 12. [354B.15] [TRANSFER OF CERTAIN MEMBER CONTRIBUTION REFUNDS TO PLAN.]

(a) Notwithstanding any provision of law to the contrary, a former member of the teachers retirement association who has less than three years of allowable service and who is a member of the plan governed by this chapter may elect to transfer to the plan an amount equal to the refund under section 354.49, subdivision 2, that the member could otherwise receive. The transfer must be made from the teachers retirement fund directly to the plan and credited by the plan appropriately. No amount under this section is payable directly to any individual.

(b) The election must be made on a form prescribed by the executive director of the teachers retirement association, after consultation with the administrators of the plan.

Page 7, line 19, after "board," insert "one representative from each employee bargaining unit covered by chapter 354B."

Page 8, after line 6, insert:

"Sec. 14. Minnesota Statutes 1992, section 354B.02, subdivision 2, is amended to read:

Subd. 2. [PERSONS WITH CERTAIN PRIOR ALLOWABLE SERVICE.] A person with less than three years of prior allowable service as a member of the teachers retirement association other than in covered employment under section 354B.01, subdivision 2 or 3, and who is first employed in covered employment after June 30, 1989, remains a member of the teacher's retirement association for all purposes, but a coordinated member may elect to participate in the plan. This election to participate in the plan must be made by January 1, 1995, or within 60 days of the start of covered employment, whichever is later."

Page 8, line 8, delete "8, 10, and 11" and insert "2, 4, 9, 11, and 12"

Page 8, line 9, delete "2 to 7 and 9" and insert "3, 5, 6, 7, 8, and 10"

Renumber the sections in article 1 in sequence

Page 8, after line 9, insert:

"ARTICLE 2

INDIVIDUAL RETIREMENT ACCOUNT PLAN

Section 1. [354C.01] [DEFINITIONS.]

Subdivision 1. [TERMS.] Unless the language or context clearly indicates that a different meaning is intended, the following terms have the meanings given.

Subd. 2. [INDIVIDUAL RETIREMENT ACCOUNT PLAN OR PLAN.] "Individual retirement account plan" or "plan" means the individual retirement account plan established by sections 354B.01 to 354B.05.

Subd. 3. [COVERED EMPLOYMENT.] "Covered employment" means employment as an eligible employee as defined under section 354C.02, subdivision 2.

Subd. 4. [PROFESSIONAL EMPLOYEE.] "Professional employee" means an employee who is engaged in work that:

(1) is predominantly intellectual and varied in character as opposed to routine mental, manual, mechanical, or physical;

(2) involves discretion and judgment in its performance;

(3) cannot be standardized in relation to a given period of time; and

(4) requires advance knowledge in a field of science or learning usually acquired by long study in an institution of higher learning or hospital.

Subd. 5. [SUPERVISORY EMPLOYEE.] "Supervisory employee" means an employee having the authority to hire, transfer, suspend, promote, discharge, assign, reward, or discipline employees, direct the work of employees, or adjust employees' grievances on behalf of the employer. To be included as a supervisory function, the exercise of the authority by the employee may not be merely routine or clerical in nature but must require the use of independent judgment.

Sec. 2. [354C.02] [PARTICIPANTS.]

Subdivision 1. [ELECTION.] An eligible employee as enumerated in subdivision 2 who is eligible for membership in the Minnesota state retirement system under chapter 352, the public employees retirement association under chapter 353, or the teachers retirement association under chapter 354 may elect to participate in the individual retirement account plan rather than in the general state retirement plan. Election to participate in the plan must be made pursuant to section 354C.04.

Subd. 2. [ELIGIBILITY.] Eligible employees are:

- (1) any supervisory or professional employee of the state arts board; and
- (2) any supervisory or professional employee of the Minnesota humanities commission.

Sec. 3. [354C.03] [SOCIAL SECURITY COVERAGE.]

Plan participants remain members of the general state retirement plan for purposes of social security coverage only, and remain covered by the applicable agreement entered into under section 355.02, but are not members of the general state retirement plan for any other purpose while employed in covered employment.

Sec. 4. [354C.04] [PLAN COVERAGE.]

Eligible employees shall elect to participate in either the individual retirement account plan or their respective retirement plan as follows:

(1) An eligible employee first employed after the effective date of this act in covered employment may elect retirement coverage under either their respective state retirement plan or the individual retirement account plan within 60 days of the start of covered employment. This election is irrevocable.

(2) An eligible employee with prior allowable service as a member of the Minnesota state retirement system, the public employees retirement association, or the teachers retirement association may elect coverage by the plan. If plan coverage is elected, accumulated employer and employee contributions and allowable service credit shall remain with the applicable retirement association or system. Notwithstanding any provision of law to the contrary, an individual who has transferred coverage for the same employment to the plan is entitled to an augmented deferred retirement annuity based on the amount representing the employer and employee contributions made on the individual's behalf in the retirement association or system in which the individual was formerly enrolled without regard to whether or not the individual meets the service credit vesting requirements of the applicable retirement association or system. This election must be made within 120 days and is irrevocable.

Sec. 5. [354C.05] [CONTRIBUTIONS.]

Subdivision 1. [MEMBER CONTRIBUTIONS.] Eligible employees who would otherwise be eligible to participate in the Minnesota state retirement system, the public employees retirement association, or the teachers retirement association, but who participate in the individual retirement account plan, shall make a member contribution in an amount equal to the member contribution amount required by the plan for which the individual was originally eligible for membership. The contribution must be made by payroll deduction each pay period and must be in accordance with either section 403(b) or 414(h) of the Internal Revenue Code.

Subd. 2. [EMPLOYER CONTRIBUTIONS.] The employer of eligible employees described in subdivision 1 who are eligible to participate in either the Minnesota state retirement system or the public employees retirement association shall make an employer contribution to the plan in an amount equal to the employer contribution amount required by the plan for which the individual was originally eligible for membership. The employer of eligible employees described in subdivision 1 who are eligible to participate in the teachers retirement association shall make an employer contribution to the plan in an amount equal to the employer contribution required by section 354.42, subdivision 3, and shall make an employer contribution to the teachers retirement association in an amount equal to the employer contribution required by section 354.42, subdivision 5.

Sec. 6. [354C.06] [ADMINISTRATION.]

The Minnesota state university system or its successor shall administer the individual retirement account plan for eligible employees in accordance with sections 354B.01 to 354B.05.

Sec. 7. [354C.10] [TRANSFER OF CERTAIN MEMBER CONTRIBUTION REFUND AMOUNTS TO PLAN.]

(a) Notwithstanding any provision of law to the contrary, a former member of the general state employees retirement plan of the Minnesota state retirement system who is a member of the individual retirement account plan under this chapter may elect to transfer to the individual retirement account plan an amount equal to the refund under section 352.22, subdivision 2, that the member could otherwise receive. The transfer must be made from the general state employees retirement fund directly to the individual retirement account plan and credited by the plan appropriately. No amount under this section is payable directly to any individual.

(b) The election must be made on a form prescribed by the executive director of the Minnesota state retirement system, after consultation with the administrators of the plan.

Sec. 8. [EFFECTIVE DATE.]

This article is effective July 1, 1994."

Amend the title as follows:

Page 1, line 10, after "sections" insert "353.27, subdivision 7a;" and delete everything after "2a;" and insert "354.42, subdivision 7;"

Page 1, line 11, delete "15, and by adding a subdivision;"

Page 1, line 14, delete "and" and insert "354A.011, subdivision 27;"

Page 1, line 15, after the semicolon, insert "and 354B.05, subdivision 3;"

Page 1, line 16, before the period, insert "; proposing coding for new law as Minnesota Statutes, chapter 354C"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2132, A bill for an act relating to commerce; agriculture; adding labeling requirements for salvaged food; adding licensing and permit requirements for salvaged food distributors; adding record keeping requirements; requiring salvaged food served for compensation to be identified; providing for labeling of Canadian wild rice; amending Minnesota Statutes 1992, sections 30.49, subdivision 2; and 31.495, subdivisions 1, 2, 5, and by adding subdivisions.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2176, A bill for an act relating to children; modifying certain provisions concerning foster care and adoption; amending Minnesota Statutes 1993 Supplement, sections 257.072, subdivision 7; and 259.255.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 245A.03, subdivision 2, is amended to read:

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

(1) residential or nonresidential programs that are provided to a person by an individual who is related unless the residential program is a foster care placement made by a county welfare board or agency, or a licensed child placing agency, except as provided in subdivision 2a;

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

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

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

(5) programs for children enrolled in kindergarten to the 12th grade and prekindergarten special education in a school as defined in section 120.101, subdivision 4, and programs serving children in combined special education and regular prekindergarten programs that are operated or assisted by the commissioner of education;

(6) nonresidential programs primarily for children that provide care or supervision, without charge for ten or fewer days a year, and for periods of less than three hours a day while the child's parent or legal guardian is in the same building as the nonresidential program or present within another building that is directly contiguous to the building in which the nonresidential program is located;

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

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

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

(10) programs licensed by the commissioner of corrections;

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

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

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

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

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

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

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

- (18) camps licensed by the commissioner of health under Minnesota Rules, chapter 4630;
- (19) mental health outpatient services for adults with mental illness or children with emotional disturbance;
- (20) residential programs serving school-age children whose sole purpose is cultural or educational exchange, until the commissioner adopts appropriate rules;
- (21) unrelated individuals who provide out-of-home respite care services to persons with mental retardation or related conditions from a single related family for no more than 90 days in a 12-month period and the respite care services are for the temporary relief of the person's family or legal representative;
- (22) respite care services provided as a home and community-based service to a person with mental retardation or a related condition, in the person's primary residence; or
- (23) community support services programs as defined in section 245.462, subdivision 6, and family community support services as defined in section 245.4871, subdivision 17.

For purposes of clause (6), a building is directly contiguous to a building in which a nonresidential program is located if it shares a common wall with the building in which the nonresidential program is located or is attached to that building by skyway, tunnel, atrium, or common roof.

Sec. 2. Minnesota Statutes 1993 Supplement, section 245A.03, subdivision 2a, is amended to read:

Subd. 2a. [LICENSING OF AN INDIVIDUAL RELATED TO A QUALIFYING CHILD.] Notwithstanding subdivision 2, clause (1), the commissioner ~~may~~ must license an individual who is related to a ~~qualifying child, as defined in title IV-E of the Social Security Act,~~ to provide foster care for that ~~qualifying child.~~ The commissioner may issue such a license retroactive to the date the ~~qualifying child~~ was placed in the applicant's home, so long as no more than 90 days have elapsed since the placement. If more than 90 days have elapsed since the placement, the commissioner may issue the license retroactive 90 days. The granting of a license to an individual who is related to a child shall be according to standards set forth by foster care rule. The commissioner shall consider the importance of maintaining the child's relationship to family as an additional significant factor in determining whether to set aside a licensing disqualifier under subdivision 3b, or to grant a variance of licensing requirements under subdivision 9.

Sec. 3. Minnesota Statutes 1993 Supplement, section 257.071, subdivision 3, is amended to read:

Subd. 3. [REVIEW OF VOLUNTARY PLACEMENTS.] Except as provided in subdivision 4, if the child has been placed in a residential facility pursuant to a voluntary release by the parent or parents, and is not returned home within six months after initial placement in the residential facility, the social service agency responsible for the placement shall:

- (1) return the child to the home of the parent or parents; or
- (2) file an appropriate petition pursuant to section 260.131, ~~subdivision 1,~~ or 260.231.

The case plan must be updated when a petition is filed and must include a specific plan for permanency.

Sec. 4. Minnesota Statutes 1993 Supplement, section 257.072, subdivision 9, is amended to read:

Subd. 9. [RULES.] The commissioner of human services shall adopt rules to establish standards for ~~relative foster care placement,~~ conducting relative searches, and recruiting foster and adoptive families of the same racial or ethnic heritage as the child, and evaluating the role of relative status in the reconsideration of disqualifications under section 245A.04, subdivision 3b, and granting variances of licensing requirements under section 245A.04, subdivision 9.

Sec. 5. Minnesota Statutes 1993 Supplement, section 259.255, is amended to read:

259.255 [PROTECTION OF HERITAGE OR BACKGROUND.]

The policy of the state of Minnesota is to ensure that the best interests of the child are met by requiring due, not sole, consideration of the child's race or ethnic heritage in adoption placements. For purposes of intercountry adoptions, due consideration is deemed to have occurred if the appropriate authority in the child's country of birth has approved the placement of the child.

The authorized child placing agency shall give preference, in the absence of good cause to the contrary, to placing the child with (a) a relative or relatives of the child, or, if that would be detrimental to the child or a relative is not available, (b) a family with the same racial or ethnic heritage as the child, or, if that is not feasible, (c) a family of different racial or ethnic heritage from the child which is knowledgeable and appreciative of the child's racial or ethnic heritage. In implementing the order of preference, an authorized child placing agency may disclose private or confidential data, as defined in section 13.02, to relatives of the child for the purpose of locating a suitable adoptive home. The agency shall disclose only data that is necessary to facilitate implementing the preference.

If the child's genetic parent or parents explicitly request that the preference described in clause (a) or clauses (a) and (b) not be followed, the authorized child placing agency shall honor that request consistent with the best interests of the child.

If the child's genetic parent or parents express a preference for placing the child in an adoptive home of the same or a similar religious background to that of the genetic parent or parents, in following the preferences in clause (a) or (b), the agency shall place the child with a family that also meets the genetic parent's religious preference. Only if no family is available that is described in clause (a) or (b) may the agency give preference to a family described in clause (c) that meets the parent's religious preference.

Sec. 6. Minnesota Statutes 1992, section 260.141, subdivision 1, is amended to read:

Subdivision 1. (a) Service of summons or notice required by section 260.135 or 260.191, subdivision 3b, shall be made upon the following persons in the same manner in which personal service of summons in civil actions is made:

- (1) in all delinquency matters, upon the person having custody or control of the child and upon the child; and
- (2) in all other matters, upon the person having custody or control of the child, and upon the child if more than 12 years of age.

Personal service shall be effected at least 24 hours before the time of the hearing; however, it shall be sufficient to confer jurisdiction if service is made at any time before the day fixed in the summons or notice for the hearing, except that the court, if so requested, shall not proceed with the hearing earlier than the second day after the service. If personal service cannot well be made within the state, a copy of the summons or notice may be served on the person to whom it is directed by delivering a copy thereof to such person personally outside the state. Such service if made personally outside the state shall be sufficient to confer jurisdiction; providing however it be made at least five days before the date fixed for hearing in such summons or notice.

(b) If the court is satisfied that personal service of the summons or notice cannot well be made, it shall make an order providing for the service of summons or notice by certified mail addressed to the last known addresses of such persons, and by one week published notice as provided in section 645.11. A copy of the notice shall be sent by certified mail at least five days before the time of the hearing or 14 days if mailed to addresses outside the state.

(c) Notification to the county welfare board required by section 260.135, subdivision 3, shall be in such manner as the court may direct.

Sec. 7. Minnesota Statutes 1993 Supplement, section 260.191, subdivision 3b, is amended to read:

Subd. 3b. [REVIEW OF COURT ORDERED PLACEMENTS; PERMANENT PLACEMENT DETERMINATION.]
(a) If the court places a child in a residential facility, as defined in section 257.071, subdivision 1, the court shall conduct a hearing to determine the permanent status of the child not later than 12 months after the child was placed out of the home of the parent. Not later than 30 ten days prior to this hearing, the responsible social service agency shall file pleadings to establish the basis for the permanent placement determination. Notice of the hearing and copies of the pleadings must be provided pursuant to sections 260.135 and section 260.141. If a termination of parental rights petition is filed before the date required for the permanency planning determination, no hearing need be conducted under this section. The court shall determine whether the child is to be returned home or, if not, what permanent placement is consistent with the child's best interests. The "best interests of the child" means all relevant factors to be considered and evaluated.

If the child is not returned to the home, the dispositions available for permanent placement determination are:

- (1) permanent legal and physical custody to a relative, pursuant to the standards and procedures applicable under chapter 257 or 518. The social service agency may petition on behalf of the proposed custodian;

(2) termination of parental rights and adoption, or permanent; the social service agency shall file a petition for termination of parental rights under section 260.231 and all the requirements of sections 260.221 to 260.245 remain applicable; or

(3) long-term foster care; transfer of legal custody and adoption are preferred permanency options for a child who cannot return home. The court may order a child into permanent long-term foster care only if it finds that neither an award of legal and physical custody to a relative, nor termination of parental rights, nor adoption is in the child's best interests. Further, the court may only order long-term foster care for the child under this section if it finds the following:

(i) the child has reached age 12 and is not adoptable; or

(ii) the child is a sibling of a child who has reached age 12 determined not adoptable and the siblings have a significant positive relationship and are ordered into the same long-term foster care home.

(b) The court may extend the time period for determination of permanent placement to 18 months after the child was placed in a residential facility if:

(1) there is a substantial probability that the child will be returned home within the next six months;

(2) the agency has not made reasonable, or, in the case of an Indian child, active efforts, to correct the conditions that form the basis of the out-of-home placement; or

(3) extraordinary circumstances exist precluding a permanent placement determination, in which case the court shall make written findings documenting the extraordinary circumstances and order ~~one subsequent review after six months~~ continuing periodic reviews to determine permanent placement. A court finding that extraordinary circumstances exist precluding a permanent placement determination must be supported by detailed factual findings regarding those circumstances.

~~(c) If the court determines that an adoptive placement is in the best interests of the child, the social service agency shall file a petition for termination of parental rights under section 260.231. Nothing in this subdivision waives the requirements of sections 260.221 to 260.245 with respect to termination of parental rights.~~

~~(d)~~ (c) In ordering a permanent placement of a child, the court must be governed by the best interests of the child, including a review of the relationship between the child and relatives and the child and other important persons with whom the child has resided or had significant contact.

(e) ~~(d)~~ Once a permanent placement determination has been made and permanent placement has been established, further reviews are only necessary if otherwise required by federal law, an adoption has not yet been finalized, or there is a disruption of the permanent or long-term placement. These If required, reviews must take place no less frequently than every six months.

~~(f)~~ (e) An order under this subdivision must include the following detailed findings:

(1) how the child's best interests are served by the order;

(2) the nature and extent of the responsible social service agency's reasonable efforts, or, in the case of an Indian child, active efforts, to reunify the child with the parent or parents;

(3) the parent's or parents' efforts and ability to use services to correct the conditions which led to the out-of-home placement;

(4) whether the conditions which led to the out-of-home placement have been corrected so that the child can return home; and

(5) if the child cannot be returned home, whether there is a substantial probability of the child being able to return home in the next six months.

~~If the court orders the child placed in permanent foster care, the court shall make findings that neither an award of legal and physical custody to a relative, termination of parental rights, nor adoption is in the child's best interests.~~

(f) An order for permanent legal and physical custody of a child may be modified under sections 518.18 and 518.185. The social service agency is a party to the proceeding and must receive notice. An order for long-term foster care is reviewable upon motion and a showing by the parent of a substantial change in the parent's circumstances such that the parent could provide appropriate care for the child and that removal of the child from the child's permanent placement and the return to the parent's care would be in the best interest of the child.

~~A court finding that extraordinary circumstances exist precluding a permanent placement determination must be supported by detailed factual findings regarding those circumstances."~~

Delete the title and insert:

"A bill for an act relating to children; modifying certain provisions concerning foster care and adoption; amending Minnesota Statutes 1992, section 260.141, subdivision 1; Minnesota Statutes 1993 Supplement, sections 245A.03, subdivisions 2 and 2a; 257.071, subdivision 3; 257.072, subdivision 9; 259.255; and 260.191, subdivision 3b."

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2227, A bill for an act relating to utilities; mandating studies of effects of earth as conductor of electricity, stray voltage, and electromagnetic fields; providing complaint procedure and remedies; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

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

H. F. No. 2260, A bill for an act relating to community social services; modifying certain provisions regarding county community social service plans; amending Minnesota Statutes 1992, section 256E.09, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 11, reinstate the stricken "proposed" and before "community" insert "and final"

Page 1, lines 12 to 14, delete the new language

Page 1, line 19, delete "unless a"

Page 1, line 20, delete the new language and after the period, insert "The summarized form of the proposed plan must include a prominent notice that the detailed proposed plan to be considered by the county board is available to county residents upon request. The final plan shall be submitted to the commissioner within 30 days after final adoption of the county budget by the county board. If the commissioner's certification of the final plan is delayed beyond January 1 of the first year of the plan, the previous community social services plan shall remain in effect until the final plan is certified. This does not affect the plan approval process in section 256E.05, subdivision 2."

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

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2296, A bill for an act relating to health; Ramsey Health Care, Inc.; authorizing the public corporation to incorporate as a nonprofit corporation; terminating its status as a public corporation; providing for the care of the indigent of Ramsey county and other counties; providing for certain of its powers and duties; repealing Minnesota Statutes 1992, sections 246A.01; 246A.02; 246A.03; 246A.04; 246A.05; 246A.06; 246A.07; 246A.08; 246A.09; 246A.10; 246A.11; 246A.12; 246A.13; 246A.14; 246A.15; 246A.16; 246A.17; 246A.18; 246A.19; 246A.20; 246A.21; 246A.22; 246A.23; 246A.24; 246A.25; 246A.26; and 246A.27.

Reported the same back with the following amendments:

Page 3, line 13, delete "for a five-year period, and thereafter shall use its"

Page 3, delete lines 14 to 16 and insert "until such time as no employee of the nonprofit organization is contributing to the public employees retirement association under subdivision 2;"

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. 2337, A bill for an act relating to adoption; regulating certain advertising and payments in connection with adoption; regulating agencies; providing for nonagency adoption; providing for the enforceability of postadoption contact agreements; providing penalties; amending Minnesota Statutes 1992, sections 144.227, subdivision 1, and by adding a subdivision; 245A.03, subdivisions 1 and 2; 245A.04, by adding a subdivision; 245A.07, by adding a subdivision; 259.21, by adding subdivisions; 259.22, subdivisions 1, 2, and by adding a subdivision; 259.27, by adding a subdivision; 259.31; and 317A.907, subdivision 6; Minnesota Statutes 1993 Supplement, section 245A.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 259.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 144.227, subdivision 1, is amended to read:

Subdivision 1. [FALSE STATEMENTS.] Whoever intentionally makes any false statement in a certificate, record, or report required to be filed under sections 144.211 to 144.214 or 144.216 to 144.227, or in an application for an amendment thereof, or in an application for a certified copy of a vital record, or who supplies false information intending that the information be used in the preparation of any report, record, certificate, or amendment thereof, is guilty of a misdemeanor.

Sec. 2. Minnesota Statutes 1992, section 144.227, is amended by adding a subdivision to read:

Subd. 3. [BIRTH REGISTRATION.] Whoever intentionally makes a false statement in a registration required under section 144.215 or in an application for an amendment to such a registration, or intentionally supplies false information intending that the information be used in the preparation of a registration under section 144.215 is guilty of a felony.

Sec. 3. Minnesota Statutes 1992, section 245A.03, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] Unless licensed by the commissioner, an individual, corporation, partnership, voluntary association, other organization, or controlling individual must not:

- (1) operate a residential or a nonresidential program;
- (2) receive a child or adult for care, supervision, or placement in foster care or adoption;

(3) help plan the placement of a child or adult in foster care or adoption or engage in placement activities as defined in section 259.21, subdivision 9, in this state, whether or not the adoption occurs in this state; or

(4) advertise a residential or nonresidential program.

Sec. 4. Minnesota Statutes 1993 Supplement, section 245A.03, subdivision 2, is amended to read:

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

(1) residential or nonresidential programs that are provided to a person by an individual who is related, except as provided in subdivision 2a;

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

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

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

(5) programs for children enrolled in kindergarten to the 12th grade and prekindergarten special education in a school as defined in section 120.101, subdivision 4, and programs serving children in combined special education and regular prekindergarten programs that are operated or assisted by the commissioner of education;

(6) nonresidential programs primarily for children that provide care or supervision, without charge for ten or fewer days a year, and for periods of less than three hours a day while the child's parent or legal guardian is in the same building as the nonresidential program or present within another building that is directly contiguous to the building in which the nonresidential program is located;

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

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

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

(10) programs licensed by the commissioner of corrections;

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

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

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

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

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

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

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

- (18) camps licensed by the commissioner of health under Minnesota Rules, chapter 4630;
- (19) mental health outpatient services for adults with mental illness or children with emotional disturbance;
- (20) residential programs serving school-age children whose sole purpose is cultural or educational exchange, until the commissioner adopts appropriate rules;
- (21) unrelated individuals who provide out-of-home respite care services to persons with mental retardation or related conditions from a single related family for no more than 90 days in a 12-month period and the respite care services are for the temporary relief of the person's family or legal representative;
- (22) respite care services provided as a home and community-based service to a person with mental retardation or a related condition, in the person's primary residence; or
- (23) community support services programs as defined in section 245.462, subdivision 6, and family community support services as defined in section 245.4871, subdivision 17; or
- (24) the placement of a child by a birth parent or legal guardian in a preadoptive home for purposes of adoption as authorized by section 259.2591.

For purposes of clause (6), a building is directly contiguous to a building in which a nonresidential program is located if it shares a common wall with the building in which the nonresidential program is located or is attached to that building by skyway, tunnel, atrium, or common roof.

Sec. 5. Minnesota Statutes 1992, section 245A.04, is amended by adding a subdivision to read:

Subd. 10. [ADOPTION AGENCY; ADDITIONAL REQUIREMENTS.] In addition to the other requirements of this section, an individual, corporation, partnership, voluntary association, other organization, or controlling individual applying for a license to place children for adoption must:

- (1) incorporate as a nonprofit corporation under chapter 317A;
- (2) file with the application for licensure a copy of the disclosure form required under section 259.258, subdivision 2;
- (3) provide evidence that a bond has been obtained and will be continuously maintained in favor of the commissioner throughout the entire operating period of the agency, to cover the cost of transfer and storage of records if the agency voluntarily or involuntarily ceases operation and fails to provide for proper transfer of the records in order to comply with the requirements of section 259.46; and
- (4) submit a certified audit to the commissioner each year the license is renewed as required under section 245A.03, subdivision 1.

Sec. 6. Minnesota Statutes 1992, section 245A.07, is amended by adding a subdivision to read:

Subd. 4. [ADOPTION AGENCY VIOLATIONS.] If a license holder licensed to place children for adoption fails to provide services as described in the disclosure form required by section 259.258, subdivision 2, the sanctions under this section may be imposed.

Sec. 7. [259.20] [POLICY.]

Subdivision 1. The policy of the state of Minnesota and the purpose of sections 259.20 to 259.406 is to ensure:

- (1) that the best interests of children are met in the planning and granting of adoptions; and
- (2) that laws and practices governing adoption recognize the diversity of Minnesota's population and the diverse needs of persons affected by adoption.

Subd. 2. Portions of chapters 245A, 257, 260, and 317A may also affect the adoption of a particular child.

Sec. 8. Minnesota Statutes 1992, section 259.21, is amended by adding a subdivision to read:

Subd. 8. [PLACEMENT.] "Placement" means the transfer of physical custody of a child from a birth parent or legal guardian to a prospective adoptive home.

Sec. 9. Minnesota Statutes 1992, section 259.21, is amended by adding a subdivision to read:

Subd. 9. [PLACEMENT ACTIVITIES.] "Placement activities" means any of the following:

- (1) placement;
- (2) arranging or providing short-term foster care pending an adoptive placement;
- (3) facilitating placement by maintaining a list in any form of birth parents or prospective adoptive parents;
- (4) collecting health and social histories of a birth family;
- (5) conducting an adoption study;
- (6) witnessing consents to an adoption; or
- (7) engaging in any activity listed in clauses (1) to (6) for purposes of fulfilling any requirements of the interstate compact on the placement of children.

Sec. 10. Minnesota Statutes 1992, section 259.21, is amended by adding a subdivision to read:

Subd. 10. [DIRECT ADOPTIVE PLACEMENT.] "Direct adoptive placement" means the placement of a child by a birth parent or legal guardian other than an agency under the procedure for adoption authorized by section 259.2591.

Sec. 11. Minnesota Statutes 1992, section 259.22, subdivision 1, is amended to read:

Subdivision 1. Any person who has resided in the state for one year or more may petition to adopt a child or an adult, and the same petitioner may petition for the adoption of two or more persons in one petition. The provisions as to length of residence in the state may be waived reduced to 30 days by the court whenever it appears to be for the best interest of the child.

The court may waive any residence requirement of this section if the petitioner is an individual who is related, as defined in section 245A.02, subdivision 13, or a member of a child's extended family or important friends with whom the child has resided or had significant contact.

Sec. 12. Minnesota Statutes 1992, section 259.22, subdivision 2, is amended to read:

Subd. 2. No petition for adoption shall be filed unless the child sought to be adopted has been placed by the commissioner of human services, the commissioner's agent, or a licensed child-placing agency. The provisions of this subdivision shall not apply if

- (a) the child is over 14 years of age;
- (b) the child is sought to be adopted by a stepparent;
- (c) the child is sought to be adopted by a relative related by blood or marriage within the third degree;
- (d) the child has been lawfully placed under the laws of another state while the child and petitioner resided in that other state; or
- (e) the court waives the requirement of placement in the best interests of the child or petitioners the child has been lawfully placed under section 259.2591.

Sec. 13. Minnesota Statutes 1992, section 259.22, is amended by adding a subdivision to read:

Subd. 4. [TIME FOR FILING PETITION.] A petition shall be filed not later than 24 months after a child is placed in a prospective adoptive home. If a petition is not filed by that time, the agency that placed the child, or, in a direct adoptive placement, the agency that prepared the postplacement adoptive study shall file with the district court in the county where the prospective adoptive parent resides a motion for an order and a report recommending one of the following:

(1) that the time for filing a petition be extended because of the special needs as defined under title IV-E of the Social Security Act, United States Code, title 42, section 673, of the child; or

(2) that the child be removed from the prospective adoptive home.

The prospective adoptive parent must reimburse an agency for the cost of preparing and filing a report under this section, unless the costs are reimbursed by the commissioner under section 259.40 or 259.44.

Sec. 14. [259.256] [AGENCY PLACEMENT FACTORS.]

A child-placing agency shall document, in the records required to be kept under section 259.46, the reasons for each child placement decision.

Sec. 15. [259.258] [AGENCY; FEE SCHEDULE; DISCLOSURE; CIVIL ACTION.]

Subdivision 1. [PAYMENT SCHEDULE.] An agency may only require payment of fees in stages as services are performed. An agency engaged in placement activities must provide a prospective adoptive parent with a schedule of fees and a timeline indicating when each fee or portion of the total fees for the agency services must be paid. The agency must also provide a fee schedule for prefinalization postplacement services.

Subd. 2. [DISCLOSURE TO BIRTH PARENTS AND ADOPTIVE PARENTS.] An agency shall provide a disclosure statement written in clear, plain language to be signed by the prospective adoptive parents and birth parents, except that in inter-country adoptions, the signatures of birth parents are not required. The disclosure statement must contain the following information:

(1) fees charged to the adoptive parent, including any policy on sliding scale fees or fee waivers and an itemization of the amount that will be charged for the adoption study, counseling, postplacement services, family of origin searches, birth parent expenses authorized under section 259.271, or any other services;

(2) timeline for the adoptive parent to make fee payments;

(3) likelihood, given the circumstances of the prospective adoptive parent and any specific program to which the prospective adoptive parent is applying, that an adoptive placement may be made and the estimated length of time for making an adoptive placement. These estimates must be based on adoptive placements made with prospective parents in similar circumstances applying to a similar program with the agency during the immediately preceding three to five years. If an agency has not been in operation for at least three years, it must provide summary data based on whatever adoptive placements it has made and may include a statement about the kind of efforts it will make to achieve an adoptive placement, including a timetable it will follow in seeking a child. The estimates must include a statement that the agency cannot guarantee placement of a child or a time by which a child will be placed;

(4) a statement of the services the agency will provide the birth and adoptive parents;

(5) a statement prepared by the commissioner under section 259.2585 that explains the child placement and adoption process and the respective legal rights and responsibilities of the birth parent and prospective adoptive parent during the process including a statement that the prospective adoptive parent is responsible for filing an adoption petition not later than 24 months after the child is placed in the prospective adoptive home;

(6) a statement regarding any information the agency may have about attorney referral services, or about obtaining assistance with completing legal requirements for an adoption; and

(7) an acknowledgment to be signed by the birth parent and prospective adoptive parent that they have received, read, and had the opportunity to ask questions of the agency about the contents of the disclosure statement.

Subd. 3. [CIVIL ACTION.] An action for damages, including punitive damages, may be brought by a birth parent or prospective adoptive parent aggrieved by:

- (1) a violation of subdivision 1;
- (2) the failure of an agency to provide services listed in the disclosure form under subdivision 2, clause (4); or
- (3) deceptive practices or misrepresentations made by an agency about its services or ability to place children for adoption.

Sec. 16. [259.2585] [COMMISSIONER'S STATEMENT.]

The commissioner shall prepare and make available to all agencies, prospective adoptive parents, and birth parents a short, plain description of the legal adoption process and the rights and responsibilities of agencies, birth parents, and prospective adoptive parents in the process.

Sec. 17. [259.2586] [ADOPTION STUDY.]

A written adoption study must be completed before the child is placed in a prospective adoptive home under this chapter and the study must be completed and filed with the court at the time the adoption petition is filed. In a direct adoptive placement, the study must be filed with the court in support of a motion for temporary preadoptive custody under section 259.2591, subdivision 3. The study shall be completed by a licensed child-placing agency and must be thorough and comprehensive. The study shall be paid for by the prospective adoptive parent, except as otherwise required under section 259.40 or 259.44.

A step-parent adoption is not subject to this section.

At a minimum, the study must include the following about the prospective adoptive parent:

(1) a check of criminal conviction data, data on substantiated maltreatment of a child under section 626.556, and domestic violence data of each person over the age of 13 living in the home. The prospective adoptive parents, the bureau of criminal apprehension, and other state, county, and local agencies, after written notice to the subject of the study, shall give the agency completing the adoption study substantiated criminal conviction data and reports about maltreatment of minors and vulnerable adults and domestic violence. The adoption study must also include a check of the juvenile court records of each person over the age of 13 living in the home. Notwithstanding provisions of section 260.161 to the contrary, the juvenile court shall release the requested information to the agency completing the adoption study. The study must include an evaluation of the effect of a conviction or finding of substantiated maltreatment on the ability to care for a child;

(2) medical and social history and current health;

(3) assessment of potential parenting skills;

(4) ability to provide adequate financial support for a child; and

(5) the level of knowledge and awareness of adoption issues including where appropriate matters relating to interracial, cross-cultural, and special needs adoptions.

The adoption study must include at least one in-home visit with the prospective adoptive parent. The adoption study is the basis for completion of a written adoption study report. The adoption study report must be in a format specified by the commissioner and must contain recommendations regarding the suitability of the subject of the study to be an adoptive parent. An adoption study report is valid for 12 months following its date of completion.

A prospective adoptive parent seeking a study under this section must authorize access by the agency to any private data needed to complete the study and must disclose any names used previously other than the name used at the time of adoption; and must provide a set of fingerprints.

Sec. 18. [259.2587] [BIRTH PARENT HISTORY; COMMISSIONER'S FORM.]

In any adoption under this chapter, except a stepparent adoption, a birth parent or an agency shall provide a prospective adoptive parent with a detailed social and medical history of the birth families, if known after reasonable inquiry. Each birth family history must be provided on a form prepared by the commissioner in a manner so that the

completed form protects the identities of all individuals described in it. The commissioner shall make the form available to agencies and court administrators for public distribution. The birth family history must be filed with the court when the adoption petition is filed, or, in a direct adoptive placement, with the motion for temporary preadoptive custody.

Sec. 19. [259.259] [STATE AUDIT OF ADOPTION AGENCY; CIVIL ACTION.]

Subdivision 1. [AUDIT.] If the commissioner or attorney general has good cause to believe that a child-placing agency has violated section 259.258, subdivision 1, 259.271, 317A.907, or any other applicable law dealing with fees, payments, accounts, or financial disclosure by a child-placing agency, the commissioner or the attorney general may seek a court order requiring a financial audit of the agency, at the agency's expense, by an auditor chosen by the commissioner or attorney general.

Subd. 2. [CIVIL ACTION.] A court may grant equitable or monetary relief that is just and reasonable in the circumstances or may dissolve an adoption agency and liquidate its assets if the assets of the agency are being misapplied or wasted. The attorney general or the commissioner may bring an action in district court if the directors or those in control of the agency have misapplied or wasted assets of the agency or have acted fraudulently, illegally, or in a manner unfairly prejudicial toward a client of the agency in the capacity of a director or one in control of the agency.

Sec. 20. [259.2591] [DIRECT ADOPTIVE PLACEMENT.]

Subdivision 1. [INTENT.] The intent of the provisions governing direct adoptive placement is to safeguard the best interests of the child by providing services and protections to the child, birth parents, and adoptive parents which are consistent with those available through an agency placement.

Subd. 2. [PREPLACEMENT STUDY.] In a direct adoptive placement, a preplacement study under section 259.2586 must be completed and filed with the court as required by subdivision 3.

Subd. 3. [PREADOPTIVE CUSTODY ORDER.] (a) Within 30 days after a child is placed in a prospective adoptive home by a birth parent or legal guardian, other than an agency, the placement must be approved by the district court in the county where the prospective adoptive parent resides. Court approval must be obtained prior to placement if the prospective adoptive parent does not have health care coverage for the child. Any order under this subdivision or subdivision 6 shall state that the prospective adoptive parent's right to custody of the child is subject to the birth parents' right to custody until the consents to the child's adoption become irrevocable. The prospective adoptive parent must meet the residence requirements of section 259.22, subdivision 1, and must file with the court an affidavit of intent to remain a resident of the state for at least 90 days after the child is placed in the prospective adoptive home. The prospective adoptive parent shall file with the court a notice of intent to file an adoption petition and submit a written motion seeking an order granting temporary preadoptive custody. The notice and motion required under this subdivision may be considered by the court ex parte, without a hearing. The prospective adoptive parent shall serve a copy of the notice and motion upon any parent whose consent is required under section 259.24 or who is named in the affidavit required under paragraph (b) of this subdivision if that person's mailing address is known. The motion may be filed up to 60 days before the placement is to be made and must include:

- (1) the adoption study required under section 259.2586;
- (2) affidavits from the birth parents indicating their support of the motion, or, if there is no affidavit from the birth father, an affidavit from the birth mother under paragraph (b);
- (3) an itemized statement of expenses that have been paid and an estimate of expenses that will be paid by the prospective adoptive parents to the birth parents, any agency, attorney, or other party in connection with the prospective adoption;
- (4) the name of counsel for each party, if any;
- (5) a statement that the birth parents:
 - (i) have provided the social and medical history required under section 259.2587 to the prospective adoptive parent;
 - (ii) have received the written statement of their legal rights and responsibilities under section 259.2585; and
 - (iii) have been notified of their right to receive counseling under subdivision 4; and

(6) the name of the agency chosen by the adoptive parent to supervise the adoptive placement and complete the postplacement adoption study required by subdivision 9.

The court shall review the expense statement submitted under this subdivision to determine whether payments made or to be made by the prospective adoptive parent are lawful and in accordance with section 259.271, subdivision 1.

(b) If the birth mother submits the affidavit required in paragraph (a), clause (2), but the birth father fails to do so, the birth mother must submit an additional affidavit that describes her good faith efforts or efforts made on her behalf to identify and locate the birth father for purposes of securing his consent. In the following circumstances, the birth mother may instead submit an affidavit stating on which ground she is exempt from making efforts to identify and locate the father:

(1) the child was conceived as the result of incest or rape;

(2) efforts to locate the father could reasonably result in physical harm to the birth mother or child; or

(3) efforts to locate the father by the affiant or anyone acting on the affiant's behalf could reasonably result in emotional impairment of the birth mother or child.

A court shall consider the motion for temporary preadoptive custody within 30 days of receiving the motion or by the anticipated placement date stated in the motion, whichever comes sooner.

Subd. 4. [BIRTH PARENT COUNSELING.] In a direct adoptive placement, the prospective adoptive parent must notify the birth parent that the birth parent has a right to receive counseling about adoption issues at the expense of the prospective adoptive parent. The prospective adoptive parent must bear the cost of up to 35 hours of counseling upon the request of a birth parent at any time between conception of child and six months after the birth of the child or the placement in the adoptive home, whichever is later. A birth parent may waive the right to receive counseling under this subdivision.

Subd. 5. [BIRTH PARENT LEGAL COUNSEL.] Upon the request of a birth parent, separate legal counsel must be made available to the birth parent at the expense of the prospective adoptive parent. A birth parent may waive this right only by a written waiver signed and submitted to the court at the consent hearing under subdivision 6. Representation of a birth parent and a prospective adoptive parent by the same attorney is prohibited.

Subd. 6. [EMERGENCY ORDER.] (a) A court may issue an emergency order granting temporary preadoptive custody of a child to a prospective adoptive parent for up to 14 days if the following conditions are met:

(1) the motion is supported by:

(i) affidavits from the prospective adoptive parent and birth parent indicating that an emergency order is needed because of the unexpected premature birth of the child or other specifically described extraordinary circumstances which prevented the completion of the requirements of subdivision 3; and

(ii) the information required by subdivision 3, paragraph (a), clause (2), and clause (5), items (ii) and (iii); and

(iii) a completed adoption study which meets the requirements of section 259.2586; or

(iv) affidavits from each prospective adoptive parent stating whether they or any person residing in the household have been convicted of a crime; or are the subject of an open investigation of, or have been the subject of substantiated allegations of, child or vulnerable-adult abuse within the past ten years. If so, a complete description of the crime, open investigation, or substantiated abuse and a complete description of any sentence, treatment, or disposition must be included. If, at any time before the adoption is final, a court receives evidence leading it to conclude that a prospective adoptive parent knowingly gave false information in this affidavit, it shall be presumed that the placement of the child with the adoptive parent is not in the best interests of the child.

(2) the court concludes from the record submitted that the emergency order will preserve the health and safety of the child.

(b) An order granting or denying the motion shall be issued under this section within 24 hours of the time it is brought. Notwithstanding section 259.23, any judge of district court may consider a motion brought under this subdivision. An order granting the motion shall direct that an adoption study be commenced immediately, if that has not occurred, and that the agency conducting the study shall supervise the emergency placement.

(c) An emergency order under this subdivision expires 14 days after it is issued. If the requirements of section 259.2591 are completed and a preadoptive custody motion is filed on or before the expiration of the emergency order, placement may continue until the court rules on the motion. The court shall consider the preadoptive custody motion within seven days of filing.

Subd. 7. [CONSENT OF BIRTH PARENTS; HEARING; VENUE; COMMISSIONER'S FORM.] In all adoptions, regardless of the manner of placement, not sooner than 72 hours after the birth of a child and not later than 60 days after the child's placement in a prospective adoptive home, a birth parent whose consent is required under section 259.24, shall execute a consent. In all direct adoptive placements, a birth parent, whose consent is required under section 259.24 and who has chosen not to receive counseling through a licensed agency or a licensed social services professional trained in adoption issues, shall appear before a judge or judicial officer to sign the birth parent's written consent to the child's adoption by the prospective adoptive parent who has temporary preadoptive custody of the child. Notwithstanding where the prospective adoptive parent resides, the consent hearing may be held in any county in this state where the birth parent is found. If a birth parent has chosen to receive counseling through a licensed agency or a licensed social services professional trained in adoption issues, the birth parent may choose to execute a written consent under section 259.24, subdivision 5, or participate in a voluntary termination of parental rights.

If a consent hearing is held in a county other than where the prospective adoptive parent resides, the court shall forward the executed consents to the district court in the county where the prospective adoptive parent resides.

The consent becomes irrevocable on the tenth working day after it is given, except that if the consent was obtained by fraud, proceedings to determine the existence of fraud shall be governed by section 259.24, subdivision 6a. Until the consent becomes irrevocable, the child shall be returned to the birth parent upon request.

The written consent under this subdivision must state that:

(1) the birth parent has had the opportunity to consult with independent legal counsel at the expense of the prospective adoptive parent, unless the birth parent knowingly waived the opportunity;

(2) the birth parent was notified of the right to receive counseling at the expense of the prospective adoptive parent and has chosen to exercise or waive that right; and

(3) the birth parent was informed that if the birth parent withdraws consent, the prospective adoptive parent cannot require the birth parent to reimburse any costs the prospective adoptive parent has incurred in connection with the adoption, including payments made to or on behalf of the birth parent.

If a birth parent has chosen to have legal counsel, the attorney must be present at the execution of consents. If a birth parent waives counsel, the written waiver must be filed with the consent under this subdivision.

The consent signed under this subdivision must be on a form prepared by the commissioner and made available to agencies and court administrators for public distribution.

Subd. 8. [NOTICE AND CONSENT DEADLINE; CONSENT HEARING; BIRTH PARENT NOT APPEARING.] (a) A birth parent who intends to consent to the adoption of a child or to confer authority on an agency to place a child for adoption under section 259.25 shall notify the other birth parent of that fact if the other birth parent's consent to the adoption is required under subdivision 1. Notice shall be provided to the other birth parent by personal service in the manner provided in the rules of civil procedure for service of a summons and complaint within 72 hours of the date on which the child is placed. The notice shall inform the birth parent of the notifying birth parent's intent regarding consent to adoption or an agreement under section 259.25 and shall notify the receiving birth parent that, not later than 60 days after the date of service, the birth parent must either consent or refuse to consent to the adoption or the agreement under section 259.25. On the sixty-first day following service of the notice required under this subdivision, a birth parent who fails to take either of these actions, is deemed to have consented to the child's adoption or the agreement under section 259.25 regarding the child.

(b) If a birth parent whose consent is required under section 259.24 does not appear at a consent hearing under this section, the agency which conducted the adoption study shall notify the court and the court shall issue an order regarding continued placement of the child.

Subd. 9. [POSTPLACEMENT ADOPTION STUDY.] The agency designated by the prospective adoptive parent under subdivision 3, paragraph (a), clause (6), shall complete a postplacement adoption study and file it with the court with which the adoption petition has been filed not later than 90 days after the filing of a petition for adoption.

At a minimum, the postplacement study must include the following information:

- (1) assessment of adaptation by the prospective adoptive parents to parenting the child;
- (2) assessment of the health and well-being of the child in the prospective adoptive parents' home;
- (3) analysis of the level of incorporation by the child into the prospective adoptive parents' home, extended family and community; and
- (4) assessment of the level of incorporation of the child's previous history into the prospective adoptive home, such as cultural or ethnic practices, or contact with former foster parents, or biological relatives.

The postplacement adoption study shall be filed with the local social service agency in the county where the prospective adoptive parent resides. The local social service agency may seek a court order to remove the child from the prospective adoptive home, if the study so recommends and the agency finds that continued placement in the adoptive home endangers the physical or emotional health of the child. A postplacement adoption study is valid for 12 months after its date of completion.

Subd. 10. [RECORDS.] All records filed with the court in a direct adoptive placement under this section must be permanently maintained by the agency which completed the adoption study. Notwithstanding the provisions of section 259.31, an agency shall, upon request, be given any court records needed to provide postadoption services pursuant to section 259.47 at the request of adoptive parents, birth parents, or adopted individuals age 19 or older.

Subd. 11. [PENALTY.] It is a gross misdemeanor for a person, not being the commissioner or an agency, knowingly to engage in placement activities as defined in section 259.21, subdivision 9, without being licensed by the commissioner under chapter 245A, except as authorized by section 245A.03, subdivision 2.

Sec. 21. Minnesota Statutes 1992, section 259.27, subdivision 1, is amended to read:

Subdivision 1. [COMMISSIONER'S NOTICE TO COMMISSIONER; COUNTY DUTIES.] Upon the filing of a petition for adoption of a child the court administrator shall immediately transmit a copy of the petition to the commissioner of human services. The commissioner and the social services department of the county in which the prospective adoptive parent lives. Except as provided in subdivision 2, the county social services department shall verify the allegations of the petition, investigate the conditions and antecedents of the child for the purpose of ascertaining whether the child is a proper subject for adoption, and make appropriate inquiry to ascertain whether the proposed foster adoptive home and the child are suited to each other and whether the proposed foster home adoption meets the preferences described in section 259.28, subdivision 2. The report of the county welfare board submitted to the commissioner of human services bearing on the suitability of the proposed foster home and the child to each other shall be confidential, and the records of the county welfare board or the contents thereof of them shall not be disclosed either directly or indirectly to any person other than the commissioner of human services or a judge of the court having jurisdiction of the matter. Within 90 days after the receipt of said the copy of the petition the commissioner county social services department shall submit to the court and the commissioner a full report in writing with recommendations as to the granting of the petition. If such the report is not returned within the 90 days, without fault of petitioner, the court may hear the petition upon giving the commissioner county social services department five days notice by mail of the time and place of the hearing. If such the report disapproves of the adoption of the child, the commissioner county social services department may recommend that the court dismiss the petition.

Sec. 22. Minnesota Statutes 1992, section 259.27, subdivision 2, is amended to read:

Subd. 2. [ADOPTION AGENCIES.] Notwithstanding the provisions of subdivision 1, if the child to be adopted has been committed to the guardianship of an agency pursuant to section 260.241, or if the child has been surrendered to an agency pursuant to section 259.25, or the child's direct adoptive placement is being supervised by an agency pursuant to section 259.2591 the court, in its discretion, may shall refer the adoption petition to such the agency, or, if the adopting parent has a stepparent relationship to the child, to the county welfare department of the county in which the adoption is pending. The agency or county welfare department, within 90 days of receipt of a copy of the

adoption petition, shall file with the court a report of its investigation of the environment and antecedents of the child to be adopted and of the home of the petitioners and its determination whether the home of the petitioners meets the preferences described in section 259.28, subdivision 2. If such the report disapproves of the adoption of the child, the agency or county welfare department may recommend that the court dismiss the petition. In the case of a direct adoptive placement under section 259.2591, a postplacement adoption study completed under subdivision 9 of that section shall be considered as meeting the requirement for a report under this section.

Sec. 23. Minnesota Statutes 1992, section 259.27, subdivision 5, is amended to read:

Subd. 5. [RESIDENCE AND INVESTIGATION WAIVED; STEPPARENT.] Such The investigation and period of residence required by this section may be waived by the court when the petition for adoption is submitted by a stepparent or when, upon good cause being shown, the court is satisfied that the proposed adoptive home and the child are suited to each other, but in either event at least ten working days notice of the hearing shall be given to the commissioner county social services department by certified mail. The reports of investigations shall be a part of the court files in the case, unless otherwise ordered by the court.

Sec. 24. Minnesota Statutes 1992, section 259.27, is amended by adding a subdivision to read:

Subd. 6. [FEES AND PAYMENTS; FILING WITH ADOPTION PETITION.] Upon the filing of a petition for adoption, an agency shall file with the court a statement of expenses that have been paid or are required to be paid by the prospective adoptive parent in connection with the adoption. In a direct adoptive placement, the statement of expenses shall be filed by the prospective adoptive parent.

Sec. 25. [259.271] [PAYMENT OF BIRTH PARENT EXPENSES; PENALTY.]

Subdivision 1. [AUTHORIZED PAYMENTS.] In any adoption under this chapter, a prospective adoptive parent or anyone acting in concert with, at the direction of, or in behalf of a prospective adoptive parent may pay only the following expenses of the birth parent:

- (1) reasonable counseling, medical, and legal fees, which shall be paid directly to the provider of the service;
- (2) reasonable expenses for transportation, meals, and lodging incurred for placement of the child;
- (3) reasonable expenses for adoption services provided by an agency at the request of the birth parent, which shall be paid directly to the agency; and
- (4)(i) reasonable living expenses of the birth mother which are needed to maintain an adequate standard of living which the birth mother is unable to otherwise maintain because of loss of income or other support resulting from the pregnancy. The payments may cover expenses incurred during the pregnancy-related incapacity but not for a period longer than six weeks following delivery;
- (ii) the payment shall not be contingent upon placement of the child for adoption, consent to adoption, or cooperation in the completion of the adoption; and
- (iii) reasonable living expenses does not include expenses for lost wages, gifts, educational expenses, or other similar expenses of the birth mother

Subd. 2. [NO BIRTH PARENT REIMBURSEMENT TO ADOPTIVE PARENT.] A contract purporting to require a birth parent to reimburse a prospective adoptive parent for such payments under any circumstances, including circumstances in which a birth parent refuses to consent to adoption or withdraws consent to adoption, is void as against public policy.

Subd. 3. [PROHIBITED PAYMENTS; PENALTY.] (a) Except as authorized under subdivision 1, it is a felony for an individual to give, or for a birth parent to accept, money or anything of value as compensation for the placement of a child for adoption.

(b) It is a felony for any person to give money or anything of value as compensation to the birth parent of a child if the person is engaged or has engaged in any placement activity, as defined in section 259.21, subdivision 9, in connection with the adoption of the child.

Sec. 26. Minnesota Statutes 1992, section 259.31, is amended to read:

259.31 [HEARINGS, CONFIDENTIAL.]

All hearings held in proceedings under sections 259.21 to 259.32 shall be confidential and shall be held in closed court without admittance of any persons other than the petitioners, their witnesses, the commissioner of human services or an agency, or their authorized representatives, attorneys, and persons entitled to notice by sections 259.21 to 259.32, except by order of the court. The files and records of the court in adoption proceedings shall not be open to inspection by any person except the commissioner of human services or the commissioner's representatives, an agency acting under section 259.2591, subdivision 10, or upon an order of the court expressly so permitting pursuant to a petition setting forth the reasons therefor.

Sec. 27. Minnesota Statutes 1992, section 317A.907, subdivision 6, is amended to read:

Subd. 6. [EXPENSE REIMBURSEMENT.] (a) An organization, association, or society licensed by the commissioner of human services may receive payment for expenses related to adoption services in an amount that fairly reflects the agency's reasonable and necessary expenses of:

- (1) adoptive counseling, whether or not legal adoption is completed;
- (2) provision of services to children before adoptive placement; or
- (3) the supervision of children in the home until legal adoption is completed; or
- (4) expenses of a birth parent authorized under section 259.271 if paid to the agency to forward to the birth parent.

Only that part of the expenses may be requested that the person seeking to adopt is financially able to meet. No person may be barred from receiving a child for adoption because of inability to pay part of the expenses referred to in this subdivision. In addition to other reports as may be required, a licensed agency shall file annually with the commissioner of human services a full accounting of expense reimbursement received under this subdivision, together with the record of the services given for which the reimbursement was made. If the person returns the child to the corporation, the person may not receive compensation for the care, clothing, or medical expenses of the child. ~~This paragraph does not preclude voluntary contributions by an individual or organization. A pledge by an adoption applicant to make a voluntary contribution is voidable at the option of the person pledging.~~

~~(b) No organization, association, or society is eligible to receive an expense reimbursement from a person who takes a child into the person's home or who adopts a child during the first 12 months that the organization, association, or society is licensed by the commissioner of human services.~~

Sec. 28. [INSTRUCTIONS TO THE REVISOR.]

(a) In the next and subsequent editions of Minnesota Statutes, the revisor shall change the terms "natural parent" and "genetic parent" to "birth parent" wherever they appear.

(b) In the next and subsequent editions of Minnesota Statutes, the revisor shall change the terms "county welfare board" and "county welfare department" to "local social services agency" wherever they appear.

(c) In the next and subsequent editions of Minnesota Statutes, the revisor shall renumber chapter 259 in order to eliminate seven-digit section numbers and make more room for future sections. The revisor shall also correct all cross-references in Minnesota Statutes and Minnesota Rules to reflect the new section numbers in chapter 259."

Delete the title and insert:

"A bill for an act relating to adoption; regulating certain advertising and payments in connection with adoption; regulating agencies; providing for direct adoptive placement; providing for the enforceability of postadoption contact agreements; providing penalties; amending Minnesota Statutes 1992, sections 144.227, subdivision 1, and by adding a subdivision; 245A.03, subdivision 1; 245A.04, by adding a subdivision; 245A.07, by adding a subdivision; 259.21,

by adding subdivisions; 259.22, subdivisions 1, 2, and by adding a subdivision; 259.27, subdivisions 1, 2, 5, and by adding a subdivision; 259.31; and 317A.907, subdivision 6; Minnesota Statutes 1993 Supplement; section 245A.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 259."

With the recommendation that when so amended the bill pass.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

H. F. No. 2376, A bill for an act relating to military affairs; appropriating money for the Minnesota National Guard youth camp.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations and Gambling/State Government Finance Division.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2380, A bill for an act relating to children; establishing an abused child program under the commissioner of corrections; creating an advisory committee; specifying powers and duties of the commissioner and the advisory committee; proposing coding for new law in Minnesota Statutes, chapter 241.

Reported the same back with the following amendments:

Page 1, line 9, delete "241.445" and insert "611A.362"

Page 1, line 22, delete "241.446" and insert "611A.363"

Page 2, line 5, delete everything after "commissioner"

Page 2, line 6, delete everything before "and"

Page 2, line 17, delete "by" and insert a period

Page 2, delete lines 18 and 19

Page 2, line 26, after "grant" insert "under this section"

Pages 2 to 5, delete sections 3 and 4

Amend the title as follows:

Page 1, line 4, delete "creating an advisory committee;"

Page 1, line 5, delete "and the advisory committee"

Page 1, line 7, delete "241" and insert "611A"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2391, A bill for an act relating to health; classifying data relating to a physician license; modifying provisions relating to foreign medical school graduates; amending Minnesota Statutes 1993 Supplement, sections 147.02, subdivision 1; and 147.037, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 147.01, subdivision 4, is amended to read:

Subd. 4. [DISCLOSURE.] Subject to the exceptions listed in this subdivision, all communications or information received by or disclosed to the board relating to any person or matter subject to its regulatory jurisdiction are confidential and privileged and any disciplinary hearing shall be closed to the public.

(a) Upon application of a party in a proceeding before the board under section 147.091, the board shall produce and permit the inspection and copying, by or on behalf of the moving party, of any designated documents or papers relevant to the proceedings, in accordance with the provisions of rule 34, Minnesota rules of civil procedure.

(b) If the board imposes disciplinary measures of any kind, whether by contested case or by settlement agreement, the name and business address of the licensee, the nature of the misconduct, and the action taken by the board are public data. If disciplinary action is taken by settlement agreement, the entire agreement is public data.

(c) The board shall exchange information with other licensing boards, agencies, or departments within the state, as required under section 214.10, subdivision 8, paragraph (d), and may release information in the reports required under sections 147.02, subdivision 6, and 214.10, subdivision 8, paragraph (b).

(d) The board shall furnish to a person who made a complaint a summary of the results of an investigation of that complaint, a description of the activities and actions of the board relating to that complaint, and the reasons for actions taken by the board.

(e) The board shall furnish to an applicant for the issuance or renewal of a license, certificate, or registration and to any person authorized by the applicant any data the board has received and is considering in connection with the application, provided that the identity of individual sources of data other than the applicant are redacted or the data is excerpted or summarized to maintain the privacy of those individuals.

Sec. 2. Minnesota Statutes 1993 Supplement, section 147.037, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] The board shall issue a license to practice medicine to any person who satisfies the requirements in paragraphs (a) to (g).

(a) The applicant shall satisfy all the requirements established in section 147.02, subdivision 1, paragraphs (a), (e), (f), (g), and (h).

(b) The applicant shall present evidence satisfactory to the board that the applicant is a graduate of a medical or osteopathic school approved by the board as equivalent to accredited United States or Canadian schools based upon its faculty, curriculum, facilities, accreditation, or other relevant data.

(c) The applicant shall present evidence satisfactory to the board that the applicant has been awarded a certificate by the educational council for foreign medical graduates, and the applicant has a working ability in the English language sufficient to communicate with patients and physicians and to engage in the practice of medicine.

(d) The applicant shall present evidence satisfactory to the board of the completion of two years of graduate, clinical medical training in a program located in the United States, its territories, or Canada and accredited by a national accrediting organization approved by the board or other graduate training approved in advance by the board as meeting standards similar to those of a national accrediting organization. This requirement does not apply (1) to an applicant who is admitted as a permanent immigrant to the United States as a person of exceptional ability in the sciences or, (2) to an applicant issued a permanent immigrant visa after October 1, 1991, as a person of extraordinary

ability or as an outstanding professor or researcher provided that a person under clause (1) or (2) is admitted pursuant to rules of the United States Department of Labor and has completed one year of the graduate, clinical medical training required by this paragraph, or (3) to an applicant who is licensed in another state, has practiced five years without disciplinary action, has completed one year of the graduate, clinical medical training required by this paragraph, and has passed the Special Purpose Examination of the Federation of State Medical Boards within three attempts in the 24 months before licensing.

(e) The applicant must:

(1) within ten years prior to application have passed an examination prepared and graded by the Federation of State Medical Boards, the United States Medical Licensing Examination program, or the Medical Council of Canada; or

(2) have a current license from the equivalent licensing agency in another state or Canada; and

(i) pass the Special Purpose Examination of the Federation of State Medical Boards with a score of 75 or better within three attempts; or

(ii) have a current certification by a specialty board of the American Board of Medical Specialties, of the American Osteopathic Association Bureau of Professional Education, or of the Royal College of Physicians and Surgeons of Canada.

(f) The applicant must not be under license suspension or revocation by the licensing board of the state or jurisdiction in which the conduct that caused the suspension or revocation occurred.

(g) The applicant must not have engaged in conduct warranting disciplinary action against a licensee, or have been subject to disciplinary action other than as specified in paragraph (f). If an applicant does not satisfy the requirements stated in this paragraph, the board may issue a license only on the applicant's showing that the public will be protected through issuance of a license with conditions or limitations the board considers appropriate."

Delete the title and insert:

"A bill for an act relating to health; classifying data relating to a physician license; modifying provisions relating to foreign medical school graduates; amending Minnesota Statutes 1992, section 147.01, subdivision 4; and Minnesota Statutes 1993 Supplement, section 147.037, subdivision 1."

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2400, A bill for an act relating to agricultural economy; increasing extent of authorized state participation in rural finance authority loan restructuring program; repealing authorization for the commissioner of finance to issue obligations to assist agricultural-industrial facilities in Detroit Lakes; amending Minnesota Statutes 1992, section 41B.04, subdivision 8; repealing Laws 1992, chapter 543.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Rest from the Committee on Taxes to which was referred:

H. F. No. 2440, A bill for an act relating to taxation; property; providing an exemption for power facilities containing cogeneration systems; amending Minnesota Statutes 1993 Supplement, section 272.02, subdivision 1.

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

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2478, A bill for an act relating to retirement; first class city teachers; defining salary; authorizing purchase of service credit for parental or maternity leave; resumption of teaching by basic program retirees; amending Minnesota Statutes 1992, sections 354A.011, subdivision 24; 354A.095; and 354A.31, subdivision 3.

Reported the same back with the following amendments:

Page 2, line 19, delete "OR" and insert "AND"

Page 3, line 12, reinstate the stricken language and delete the new language

Page 4, line 1, delete ", but is not limited to:"

Page 4, line 2, delete "and" and insert a comma

Page 4, line 3, delete the semicolon and insert a comma and delete "anyone else who works" and insert "income resulting from working"

Page 4, after line 9, insert:

"Sec. 4. [MINNEAPOLIS TEACHERS RETIREMENT FUND BYLAW AMENDMENT.]

Consistent with Minnesota Statutes, section 354.12, subdivision 4, the board of the Minneapolis teachers retirement fund association may amend the bylaws or articles of incorporation to provide parental or maternity leave, providing that the leave is granted by the employing authority, and specifying that:

(a) the service credit obtained can not exceed one year for the period of the leave;

(b) to obtain the service credit the individual must pay to the fund an amount equal to the total required contributions for the period of the leave prescribed in Minnesota Statutes, section 354A.12. Payment must be based on the member's average monthly salary rate upon returning to teaching service; and

(c) payment must be made by the end of the fiscal year following the fiscal year in which the leave terminates. Payment must be accompanied by a certified or otherwise adequate copy of the resolution or action of the employing authority granting or approving the leave.

Sec. 5. [SAINT PAUL TEACHERS RETIREMENT FUND ASSOCIATION AND MINNEAPOLIS TEACHERS RETIREMENT FUND ASSOCIATION BYLAW AMENDMENTS.]

Consistent with Minnesota Statutes, section 354.12, subdivision 4, the board of the Minneapolis teachers retirement fund association and the board of the St. Paul teachers retirement fund association may amend the bylaws or articles of incorporation to provide that:

(a) any person receiving a basic program retirement annuity under the governing sections in the articles of incorporation or bylaws and who resumes teaching service for the school district in which the teachers retirement fund association exists is entitled to continue to receive retirement annuity payments, except that annuity payments must be reduced during the calendar year immediately following the calendar year in which the person's income from the teaching service is in an amount greater than the annual maximum earnings allowable for that age for the continued receipt of full benefit amounts monthly under the federal old age, survivors, and disability insurance program as set by the secretary of health and human services under United States Code, title 42, section 403;

(b) the amount of the reduction must be one-third the amount in excess of the applicable reemployment income maximum and must be deducted from the annuity payable for the calendar year immediately following the calendar year in which the excess amount was earned;

(c) if the person has not yet reached the minimum age for the receipt of social security benefits, the maximum earnings for the person must be equal to the annual maximum earnings allowable for the minimum age for the receipt of social security benefits;

(d) if the person is retired for only a fractional part of the calendar year during the initial year of retirement, the maximum reemployment income must be prorated for that calendar year;

(e) after a person has reached the age of 70, no reemployment income maximum is applicable regardless of the amount of any compensation received for teaching service for the school district in which the teachers retirement fund association exists; and

(f) for the purposes of the bylaw amendment, income from teaching service includes: (i) all income for services performed as a consultant, independent contractor, or income resulting from working with the school district in any capacity; and (ii) the greater of either the income received or an amount based on the rate paid with respect to an administrative position, consultant, or independent contractor in the school district in which the teachers retirement fund association exists and at the same level as the position occupied by the person who resumes teaching service.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "authorizing certain bylaw amendments by the Minneapolis and St. Paul teachers retirement fund associations;"

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. 2517, A bill for an act relating to game and fish; allowing nonresidents to take rough fish by harpooning; amending Minnesota Statutes 1992, section 97C.381.

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. 2519, A bill for an act relating to prostitution; creating a civil cause of action for persons who are coerced into prostitution; proposing coding for new law in Minnesota Statutes, chapter 611A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [611A.80] [DEFINITIONS.]

Subdivision 1. [GENERAL.] The definitions in this section apply to sections 1 to 9.

Subd. 2. [COERCE.] "Coerce" means to use or threaten to use any form of domination, restraint, or inducement for the purpose or with the reasonably foreseeable effect of causing an individual to engage in or remain in prostitution or to relinquish earnings derived from prostitution. "Coercion" may include, but is not limited to:

(1) physical force or actual or implied threats of physical force;

(2) physical or mental torture;

(3) implicitly or explicitly leading an individual to believe that the individual will be protected from violence or arrest;

(4) kidnapping;

(5) defining the terms of an individual's employment or working conditions in a manner that can foreseeably lead to the individual's use in prostitution;

(6) blackmail;

(7) extortion or claims of indebtedness;

(8) threat of legal complaint or report of delinquency;

(9) threat to interfere with parental rights or responsibilities, whether by judicial or administrative action or otherwise;

(10) promise of legal benefit, such as posting bail, procuring an attorney, protecting from arrest, or promising unionization;

(11) promise of financial rewards;

(12) promise of marriage;

(13) restraining speech or communication with others, such as exploiting a language difference, or interfering with the use of mail, telephone, or money;

(14) isolating an individual from others;

(15) exploiting a condition of developmental disability, cognitive limitation, affective disorder, or substance dependency;

(16) taking advantage of lack of intervention by child protection;

(17) exploiting victimization by previous sexual abuse or battering;

(18) exploiting pornographic performance;

(19) interfering with opportunities for education or skills training;

(20) destroying property;

(21) restraining movement;

(22) exploiting HIV status, particularly where the defendant's previous coercion led to the HIV exposure; or

(23) exploiting needs for food, shelter, safety, affection, or intimate or marital relationships.

Subd. 3. [PROSTITUTION.] "Prostitution" has the meaning given in section 609.321, subdivision 9.

Sec. 2. [611A.81] [CAUSE OF ACTION FOR COERCION FOR USE IN PROSTITUTION.]

Subdivision 1. [CAUSE OF ACTION CREATED.] An individual has a cause of action against a person who:

(1) coerced the individual into prostitution;

(2) coerced the individual to remain in prostitution;

(3) used coercion to collect or receive any of the individual's earnings derived from prostitution; or

(4) hired, offered to hire, or agreed to hire the individual to engage in prostitution, knowing or having reason to believe that the individual was coerced into or coerced to remain in prostitution by another person.

For purposes of clauses (1) and (2), money payment by a patron, as defined in section 609.321, subdivision 4, is not coercion under section 611A.80, subdivision 2, clause (5) or (11), or exploiting needs for food or shelter under section 611A.80, subdivision 2, clause (23).

Clause (3) does not apply to minor children who may have benefitted from or been supported by an individual's earnings derived from prostitution.

Subd. 2. [DAMAGES.] A person against whom a cause of action may be maintained under subdivision 1 is liable for the following damages that resulted from the plaintiff being used in prostitution or to which the plaintiff's use in prostitution significantly contributed:

(1) economic loss, including damage, destruction, or loss of use of personal property; loss of past or future income or earning capacity; and income, profits, or money owed to the plaintiff from contracts with the person; and

(2) damages for death, personal injury, disease, and mental and emotional harm, including medical, rehabilitation, and burial expenses; and pain and suffering, including physical impairment.

Sec. 3. [611A.82] [ACTS NOT DEFENSES.]

None of the following shall alone be a sufficient defense to an action under section 2 if the only defenses are one or any combination of the following:

(1) the plaintiff consented to engage in acts of prostitution;

(2) the plaintiff was paid or otherwise compensated for acts of prostitution;

(3) the plaintiff engaged in acts of prostitution prior to any involvement with the defendant;

(4) the plaintiff apparently initiated involvement with the defendant;

(5) the plaintiff made no attempt to escape, flee, or otherwise terminate contact with the defendant;

(6) the defendant had not engaged in prior acts of prostitution with the plaintiff;

(7) as a condition of employment, the defendant required the plaintiff to agree not to engage in prostitution; or

(8) the defendant's place of business was posted with signs prohibiting prostitution or prostitution-related activities.

Sec. 4. [611A.83] [EVIDENCE.]

Subdivision 1. [USE IN OTHER PROCEEDINGS.] In the course of litigation under section 2, any transaction about which a plaintiff testifies or produces evidence does not subject the plaintiff to criminal prosecution or any penalty or forfeiture. Any testimony or evidence, documentary or otherwise, or information directly or indirectly derived from that testimony or evidence that is given or produced by a plaintiff or a witness for a plaintiff may not be used against that person in any other investigation or proceeding, other than a criminal investigation or proceeding for perjury committed while giving the testimony or producing the evidence.

Subd. 2. [CONVICTIONS.] Evidence of convictions for prostitution or prostitution-related offenses is inadmissible in a proceeding brought under section 2 for purposes of attacking the plaintiff's credibility. If the court admits evidence of prior convictions for purposes permitted under Minnesota Rules of Evidence, rule 404(b) with respect to motive, opportunity, intent, preparation, plan, knowledge, identity, or absence of mistake or accident, the fact finder may consider the evidence solely for those purposes and shall disregard details offered to prove any fact that is not relevant.

Sec. 5. [611A.84] [STATUTE OF LIMITATIONS.]

An action for damages under section 2 must be commenced not later than six years after the cause of action arises, except that the running of the limitation period is suspended during the time that coercion as defined in section 1 continues.

Sec. 6. [611A.85] [OTHER REMEDIES PRESERVED.]

Sections 1 to 9 do not affect the right of any person to bring an action or use any remedy available under other law, including common law, to recover damages arising out of the use of the individual in prostitution or the coercion incident to the individual being used in prostitution nor do sections 1 to 9 limit or restrict the liability of any person under other law.

Sec. 7. [611A.86] [DOUBLE RECOVERY PROHIBITED.]

A person who recovers damages under sections 1 to 9 may not recover the same costs or damages under any other law. A person who recovers damages under any other law may not recover for the same costs or damages under sections 1 to 9.

Sec. 8. [611A.87] [AWARD OF COSTS.]

Upon motion of a prevailing party in an action under sections 1 to 9, the court may award costs, disbursements, and reasonable attorney fees and witness fees to the party.

Sec. 9. [611A.88] [NO AVOIDANCE OF LIABILITY.]

No person may avoid liability under sections 1 to 9 by means of any conveyance of any right, title, or interest in real property, or by any indemnification, hold harmless agreement, or similar agreement that purports to show consent of the plaintiff.

Sec. 10. [EFFECTIVE DATE; APPLICATION.]

(a) Sections 1 to 9 are effective August 1, 1994, and apply to activities described in section 2, subdivision 1, that occur on or after the effective date.

(b) For activities described in section 2, subdivision 1, that occurred between August 1, 1988, and July 31, 1994, an action for damages must be commenced not later than August 1, 1995."

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2533, A bill for an act relating to local government; removing notice requirements for emergency on-site inspections by town boards; amending Minnesota Statutes 1992, section 366.01, subdivision 11.

Reported the same back with the following amendments:

Page 1, line 14, after the period, insert "The town board shall make good faith efforts to provide notice of the inspections to each news medium that has filed a written request for notice if the request includes the news medium's telephone number. The notice shall be given by telephone or by any other method used to notify the members of the public body."

Amend the title as follows:

Page 1, line 3, delete "emergency"

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

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2553, A bill for an act relating to retirement; public employees retirement association; permitting purchase of service credit by certain soil and water conservation district employees.

Reported the same back with the following amendments:

Page 1, line 10, before "who" insert "or a member of the general state employees retirement plan of the Minnesota state retirement system"

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

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2698, A bill for an act relating to retirement; offering options of coverage for employees of the higher education board upon merger of the state university system, community college board, and technical college board; amending Minnesota Statutes 1992, sections 136E.04, by adding a subdivision; 354.66, subdivision 2; 354B.07, subdivision 1; and 354B.08; Minnesota Statutes 1993 Supplement, sections 352.01, subdivision 2b; 353.01, subdivision 2a; 354B.02, subdivision 3c; and 354B.05, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 136C; and 136E.

Reported the same back with the following amendments:

Page 1, line 15, delete ".]" and insert a semicolon

Page 1, delete line 16, and insert "ELECTION TO RETAIN RETIREMENT FUND MEMBERSHIP.]"

Page 1, delete lines 17 to 29, and insert:

"A person who is employed by a technical college or by the technical college system on June 30, 1995, and who is transferred to state employment shall remain a member of the public employees retirement association or the Minneapolis employees retirement fund, whichever applies, unless the person affirmatively elects, in writing, retirement coverage by the general state employees retirement plan of the Minnesota state retirement system. The following provisions govern the election of a transfer or the retention of retirement benefit coverage:

(a) For a person who desires to transfer benefit coverage, the affirmative written election must be made within 120 days of the transfer of the employee to state employment.

(b) On behalf of transferred employees who retain retirement benefit coverage with the pretransfer retirement plan, the higher education board shall make the applicable employer contributions to the public employees retirement association under section 353.27, subdivisions 3 and 3a, or the same percentage of covered payroll employer contribution to the Minneapolis employees retirement fund that special school district No. 1 is required to make for that school year under section 422A.101, subdivision 2.

(c) An employee who makes a retirement benefit coverage transfer election under this section may revoke that election at any time within the first six months after the person becomes a state employee. Once an employee revokes the retirement benefit coverage transfer election, the employee may not make another election. If the initial retirement benefit coverage transfer election is revoked, all retirement contributions made by or on behalf of the employee revoking a prior election must be transferred to the applicable retirement plan as though they were erroneous deductions or contributions, plus monthly interest at an annual rate of 8.5 percent, compounded monthly, and the balance remaining between any contribution amount transferred and the amount of contributions that otherwise would have been due are payable in the applicable proportions by the revoking employee and the higher education board, plus monthly interest at an annual rate of 8.5 percent, compounded monthly.

(d) The executive directors of the Minnesota state retirement system, the public employees retirement association, and the Minneapolis employees retirement fund, and the chancellor of the higher education system, shall confer and jointly adopt appropriate procedures for making the retirement benefit coverage transfer elections under this section.

(e) The executive directors of the public employees retirement association, the Minnesota state retirement system, and the Minneapolis employees retirement fund, whichever applies, shall, upon request, provide appropriate benefit counseling to applicable affected employees on the effect of electing retirement benefit coverage by the general state employees retirement plan of the Minnesota state retirement system."

Page 2, delete lines 1 to 13

Page 2, line 18, delete "plan" and insert "plans"

Page 2, line 20, after "and" insert "the former"

Page 2, line 21, delete "shall" and insert "must" and after "single" insert "individual retirement account" and after "plan" insert "and plan administration"

Page 2, line 22, after "board," insert "eligible employees of"

Page 2, line 23, delete "which" and insert "who"

Page 2, line 27, before "In" insert "(a)"

Page 2, line 29, after the second "colleges" insert a comma

Page 2, delete line 30

Page 2, line 31, delete "in" and insert "of"

Page 2, line 33, before "and" insert a comma

Page 2, line 34, delete "whose" and insert ", who are employed in" and after "positions" insert "that"

Page 2, line 35, delete the period, and insert ", as certified by the chancellor of the higher education system, are entitled to elect an early separation incentive set forth in subdivision 3.

(b)"

Page 3, line 12, after "least" insert "age" and after "but" insert "is" and after "yet" insert "age" and delete "years of age"

Page 3, line 13, after "position" insert "and"

Page 3, line 15, after "retirement" insert ", termination,"

Page 3, line 16, after "benefit" insert "Minnesota public employee pension" and after "or" insert "a"

Page 3, line 17, after "contribution" insert "Minnesota public employee pension"

Page 3, line 18, after "retires" insert ", separates,"

Page 3, line 20, delete "identified" and insert "certified" and after "the" insert "chancellor of the" and delete "board" and insert "system"

Page 3, line 22, before "Eligible" insert "(a)" and delete "choose from" and insert "elect"

Page 3, line 23, delete "either" and insert "one" and delete "take" and insert "elect"

Page 3, line 24, before "Retirement" insert:

"(b)" and after "separation" insert "or termination"

Page 3, line 26, after the first "or" insert "the higher education" and before "Employees" insert:

"(c)" and after "separate" insert ", terminate,"

Page 3, line 27, delete "insurance or" and after "incentive" insert "under paragraph (e)"

Page 3, line 28, after "any" insert "employment"

Page 3, line 30, delete "(a)" and insert "(d)" and after "An" insert "eligible"

Page 3, line 33, after "study" insert "that is"

Page 3, line 34, after "board" insert "and"

Page 3, line 36, before "Retraining" insert "The" and delete "will" and insert "must" and after "at" insert "the" and after "salary" insert "level that the person received immediately before the termination notice"

Page 4, line 7, delete "original" and insert "pretermination notice" and delete "will cease" and insert "ceases"

Page 4, line 9, delete "will" and insert "must"

Page 4, line 12, delete "prior to July" and insert "before April"

Page 4, line 14, delete "(b)" and insert "(e)" and after "An" insert "eligible" and delete "described in"

Page 4, delete lines 15 to 17

Page 4, line 20, after "retires" insert ", is terminated,"

Page 4, line 21, after "coverages" insert ", whichever applies" and after "and" insert "any"

Page 4, line 22, after "retirement" insert ", termination,"

Page 4, line 26, after "retired" insert ", terminated,"

Page 4, line 33, after "the" insert "eligible"

Page 4, line 35, delete "two" and insert "five"

Page 4, line 36, before "make" insert "to" and delete "up to two" and insert "not more than five" and after "additional" insert "member"

Page 5, line 3, delete everything after "(i)" and insert "Eligible employees must make purchase of up to five years of allowable service credit in the applicable public retirement plan by paying to the fund an amount equal to the present value, on the date of payment, of the amount of the additional retirement annuity obtained by the purchase of the additional service credit. Calculation of this amount must be made using the applicable preretirement interest rate for the association specified in section 356.215, subdivision 4d, and the mortality table adopted for the fund. The calculation must assume continuous future service in the fund until and retirement at that age at which the minimum requirements of the fund for normal retirement or retirement with an annuity unreduced for retirement at an early age, including section 356.30, are met with the additional service credit purchased. The calculation must also assume a future salary history that includes annual salary increases at the applicable salary increase rate for the fund or association specified in section 356.215, subdivision 4d. The member must establish in the records of the fund proof of the service for which the purchase of prior service is requested. The manner of the proof of service must be in accordance with procedures prescribed by the executive director of the fund."

Payment must be made in one lump sum before the employee's date of retirement, separation, or termination.

Payment of the amount calculated under this subdivision must be made by the member. However, the current employer of the member may, at its discretion, pay all or any portion of the payment amount that exceeds an amount equal to the employee contribution rates in effect during the period or periods of prior service applied to the actual

salary rates in effect during the period or periods of prior service, plus interest at the rate of six percent a year compounded annually from the date on which the contributions would otherwise have been made to the date on which the payment is made."

Page 5, delete lines 4 to 15

Page 5, line 17, delete "will" and insert "must"

Page 5, line 23, delete "prior to" and insert "before" and after "separation" insert ", whichever is earlier"

Page 9, line 17, after "persons" insert "who are employed by the higher education board and"

Page 9, line 18, after "association" insert "or the Minneapolis employees retirement fund, whichever applies,"

Page 10, line 20, after "section" insert "136C.75, or"

Page 10, line 21, delete the new language

Page 13, line 15, delete "shall be" and insert "are"

Page 14, line 2, delete "shall" and insert "must"

Page 14, line 11, delete everything after "incurred" and insert "on or after June 30, 1994"

Page 14, line 12, delete everything before the second comma

Page 14, line 20, delete "will" and insert "are" and delete "be"

Page 14, line 22, delete "will" and insert "must" and after "board" insert a comma

Page 14, line 26, after "Sections 1" insert ", 2, 4" and after "6" insert a comma

Page 14, line 27, delete "Section" and insert "Sections 3 and" and delete "is" and insert "are"

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. 2728, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Stearns county.

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. 2757, A bill for an act relating to state lands; expanding the scope of cooperative farming agreements on hunting, game refuge, or wildlife management lands; exempting agreements from treatment as leases for tax purposes; amending Minnesota Statutes 1992, section 97A.135, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 14, reinstate the stricken language

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

The report was adopted.

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

H. F. No. 2776, A bill for an act relating to human services; clarifying the effect of a record of conviction of certain crimes on disqualification in connection with certain human services licenses; strengthening provisions concerning residential treatment programs; modifying certain child abuse reporting requirements; amending Minnesota Statutes 1992, sections 245A.04, subdivision 3a; 245A.12, subdivision 8; 245A.13, subdivisions 1, 3c, and by adding a subdivision; 256.0361, by adding a subdivision; 626.556, subdivisions 3 and 7; Minnesota Statutes 1993 Supplement, sections 13.46, subdivision 4; 245A.04, subdivisions 3 and 3b; 626.556, subdivision 10; and Laws 1993, chapter 171, section 6.

Reported the same back with the following amendments:

Pages 1 to 3, delete section 1

Page 13, delete section 9

Page 21, delete lines 2 and 3, and insert:

"Sections 1 to 7 and 11 are effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, delete everything after the semicolon

Page 1, line 11, delete "subdivision;" and insert "and"

Page 1, line 12, delete everything after "sections"

Page 1, line 13, delete "4;"

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

The report was adopted.

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

H. F. No. 2806, A bill for an act relating to the city of Duluth; establishing the powers and duties of the board of directors of trusts of Miller-Dwan Hospital in the establishment, administration, management, maintenance, improvement, and financing of the hospital; amending Laws 1969, chapter 224, sections 1, 2, and 3.

Reported the same back with the following amendments:

Page 5, line 20, after the stricken period, insert "The board of directors of trusts is subject to the provisions of section 471.345."

Page 6, line 6, delete "to discuss and"

Page 6, delete lines 7 to 23, and insert "pursuant to section 144.581, subdivision 5."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2916, A bill for an act relating to health; modifying provisions relating to lead abatement; amending Minnesota Statutes 1992, section 144.874, subdivision 12, and by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 144.871, subdivision 7c; 144.872, subdivision 2; 144.874, subdivisions 1, 3, and 11a; and 144.878, subdivisions 2 and 5; repealing Minnesota Statutes 1993 Supplement, section 144.877.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 144.871, subdivision 2, is amended to read:

Subd. 2. [ABATEMENT.] "Abatement" means ~~removal of, replacement of, or encapsulation of any set of procedures designed to remove, replace, or encapsulate~~ deteriorated paint, bare soil, dust, drinking water, or other lead-containing materials that are or may become readily accessible during the lead abatement process and pose an immediate threat of actual lead exposure to people and includes preparation, cleanup, and disposal.

Sec. 2. Minnesota Statutes 1992, section 144.871, is amended by adding a subdivision to read:

Subd. 5a. [DETERIORATED PAINT.] "Deteriorated paint" or "deteriorating paint" means paint that is chipped, peeled, or otherwise separated from its substrate or that is attached to damaged substrate.

Sec. 3. Minnesota Statutes 1993 Supplement, section 144.874, subdivision 3, is amended to read:

Subd. 3. [~~SWAB TEAMS, LEAD ASSESSMENT, LEAD ABATEMENT ORDERS.~~] A board of health must order a property owner to perform abatement on a lead source that exceeds a standard adopted according to section 144.878 at the residence of a child with an elevated blood lead level or a pregnant woman with a blood lead level of at least ten micrograms per deciliter. If the paint standard under section 144.878 is violated, but the paint is intact, the board of health must not order paint removal unless the intact paint is a known source, or reasonably expected to be a source, of actual lead exposure to a specific person. Before the board of health may order the intact paint to be removed, a reasonable effort must be made to protect the child and preserve the intact paint by the use of guards or other protective devices. Lead abatement orders must require that any source of damage, such as leaking roofs, plumbing, and windows, must be repaired or replaced, as needed, to prevent damage to lead-containing interior surfaces. The board of health is not required to pay for lead abatement. With each lead abatement order, the board of health must coordinate with swab team abatement and provide a residential lead abatement guide.

Sec. 4. Minnesota Statutes 1993 Supplement, section 144.874, subdivision 11a, is amended to read:

Subd. 11a. [LEAD ABATEMENT AND LEAD-SAFE WORK DIRECTIVES.] (a) In order to achieve statewide consistency in the application of lead abatement standards, the commissioner shall issue program directives that interpret the application of rules under section 144.878 in ambiguous or unusual lead abatement situations. These directives are guidelines to local boards of health. The commissioner shall periodically review the evaluation of lead abatement orders and the program directives to determine if the rules under section 144.878 need to be amended to reflect new understanding of lead abatement practices and methods.

(b) By July 1, 1995, the commissioner shall work cooperatively with the commissioner of administration to develop provisions, procedures, and directives to define residential remodeling, renovation, installation, and rehabilitation activities that are not lead abatement but may disrupt lead-based paint surfaces. The directives and provisions must define lead-safe procedures for nonlead abatement activities including preparation, cleanup, and disposal procedures, and must define the levels of training or certification necessary to learn and follow the directives. The directives must be based on the different levels and types of work involved and the potential for lead hazards. The directives must address activities including, but not limited to, painting, remodeling, weatherization, installation of cable, wire, plumbing, and gas, and replacement of doors and windows. The commissioners of health and administration shall consult with representatives of builders, weatherization providers, nonprofit rehabilitation organizations, a representative of each of the affected trades, and housing and redevelopment authorities in developing the directives and procedures. The commissioner of health shall report to the legislature by January 15, 1995, regarding development of the provisions required under this subdivision.

Sec. 5. [144.8711] [EXEMPTIONS.]

The provisions of sections 144.876 and 144.878, subdivision 5, do not apply to homeowners, apartment owners, farmers, and small business persons with 50 or fewer employees who do their own maintenance and remodeling work, or to small contractors, excluding lead abatement contractors. In no case shall they apply until after provisions, directives, and procedures are developed under section 144.874, subdivision 11a, in consultation with the affected industry representatives. Nothing in this section affects any federal grant from the Department of Housing and Urban Development or state financed swab teams.

Sec. 6. [144.8712] [EFFECTIVE DATES DELAYED.]

The requirement for testing of intact paint in Minnesota Rules, part 4761.0100, "Applicability," paragraph C, shall not be effective until July 1, 1995.

Sec. 7. Minnesota Statutes 1993 Supplement, section 144.878, subdivision 2, is amended to read:

Subd. 2. [LEAD STANDARDS AND ABATEMENT METHODS.] (a) The commissioner shall adopt rules establishing standards and abatement methods for lead in paint, dust, and drinking water, and soil in a manner that protects public health and the environment for all residences, including residences also used for a commercial purpose.

(b) The commissioner shall differentiate between intact paint and deteriorating paint. The commissioner and political subdivisions shall require abatement of intact paint only if the commissioner or political subdivision finds that the intact paint is on a chewable or lead-dust producing surface that is a known source or reasonably expected to be a source of actual lead exposure to a specific person. The commissioner shall determine which practices under section 144.874, subdivision 11a, may be used for lead-safe work including preparation and cleanup. The commissioner shall work cooperatively with the commissioner of the pollution control agency to develop disposal procedures. In adopting rules under this subdivision, the commissioner shall require the best available technology for lead abatement methods, paint stabilization, and repainting.

(b) (c) The commissioner of health shall adopt standards and abatement methods for lead in bare soil on playgrounds and residential property in a manner to protect public health and the environment. The commissioner shall adopt a maximum standard of 100 parts of lead per million in bare soil, unless it is proven that a different standard provides greater protection of public health.

(e) (d) The commissioner of the pollution control agency shall adopt rules to ensure that removal of exterior lead-based coatings from residential property by abrasive blasting methods is conducted in a manner that protects public health and the environment.

(d) (e) All standards adopted under this subdivision must provide reasonable margins of safety that are consistent with a detailed review of scientific evidence and an emphasis on overprotection rather than underprotection when the scientific evidence is ambiguous. The rules must apply to any individual performing or ordering the performance of lead abatement.

(e) (f) No unit of local government may have an ordinance or regulation governing lead abatement methods for lead in paint, dust, or soil for residences and residential land that require a different lead abatement method than the lead abatement standards established under sections 144.871 to 144.879.

(g) The commissioner shall adopt standards and abatement methods for lead in drinking water in a manner to protect the public health and the environment. The commissioner shall adopt rules for controlling lead in drinking water as contained in Code of Federal Regulations, title 40, part 141. Samples collected for the purposes of lead analysis of drinking water shall be done in accordance with lab certification requirements and analytical techniques specified by the Code of Federal Regulations, title 40, part 141.89.

Sec. 8. Minnesota Statutes 1993 Supplement, section 144.878, subdivision 5, is amended to read:

Subd. 5. [LEAD ABATEMENT CONTRACTORS AND EMPLOYEES.] The commissioner shall adopt rules to license lead abatement contractors, and to certify employees of lead abatement contractors who perform abatement, and to certify lead abatement trainers who provide lead abatement training for contractors, employees, or other lead abatement trainers. ~~A person who performs painting, renovation, rehabilitation, remodeling, or other residential work that is not lead abatement need not be a licensed lead abatement contractor. By July 1, 1994, a person who performs work that removes intact paint on residences built before February 27, 1978, must determine whether lead sources are present and whether the planned work would be lead abatement as defined in section 144.871, subdivision 2. This~~

determination may be made by quantitative chemical analysis, X-ray fluorescence analyzer, or chemical spot test using sodium rhodizonate. If lead sources are identified, the work must be performed by a licensed lead abatement contractor. An owner of an owner-occupied residence with one or two units is not subject to the requirements under this subdivision. All lead abatement training must include a hands-on component and instruction on the health effects of lead exposure, the use of personal protective equipment, workplace hazards and safety problems, abatement methods and work practices, decontamination procedures, cleanup and waste disposal procedures, lead monitoring and testing methods, and legal rights and responsibilities. The commissioner shall adopt rules to approve lead abatement training courses and to charge a fee for approval. At least 30 days before publishing initial notice of proposed rules under this subdivision on the licensing of lead abatement contractors, the commissioner shall submit the rules to the chairs of the health and human services committee in the house of representatives and the health care committee in the senate, and to any legislative committee on licensing created by the legislature.

Sec. 9. Minnesota Statutes 1992, section 144.878, is amended by adding a subdivision to read:

Subd. 5a. [RESIDENTIAL RENOVATION AND REMODELING.] A person who performs painting, renovation, rehabilitation, remodeling, demolition, or other residential work that is not lead abatement need not be a licensed lead abatement contractor. By July 1, 1995, a person who performs work that removes intact paint on residences built before February 27, 1978, must determine whether lead sources are present. This determination may be made by quantitative chemical analysis, X-ray fluorescence analyzer, or chemical spot test using sodium rhodizonate. If lead sources are identified, the work must be performed in accordance with the standard in section 144.878, subdivision 2, as modified by the program directives developed under section 144.874, subdivision 11a. An owner of an owner-occupied residence with one or two units is not subject to the requirements under this subdivision.

Sec. 10. [PROPOSAL FOR FEDERAL CONFORMING LEGISLATION.]

The commissioners of the pollution control agency and the department of health shall monitor federal rules proposed and adopted for lead hazard reduction of public buildings and structures under title X, of the federal Residential Lead-Based Paint Hazard Reduction Act of 1992, Public Law Number 102-550. The commissioner of health shall report to the legislature by February 1, 1995, with a legislative proposal to bring Minnesota law into conformance with the federal requirements for accreditation of training, inspection, contracting, and employment. The proposal shall be developed jointly with the commissioners of other affected agencies.

Sec. 11. [FEDERAL TRAINING GRANTS.]

The commissioner shall identify and apply for federal grants to subsidize the cost of the current lead abatement training program and to increase the number of certified trainers. The commissioner shall take necessary actions to expand the number of certified trainers, and increase the capacity of the current lead abatement training program to train and certify contractors and employees as required under section 144.876, subdivision 1, and rules adopted under section 144.878, subdivision 5.

Sec. 12. [STUDY OF INSURANCE OPTIONS FOR LEAD ABATEMENT.]

The commissioner of commerce shall report to the legislature by January 1, 1995, on the insurance options available to remodelers and lead abatement contractors. The report shall include recommendations on methods to limit the liability of remodelers and lead abatement contractors, including liability for consumer claims.

Sec. 13. [REVIEW AND CODIFICATION; LEAD LAWS AND STATUTES.]

The commissioners of health and the pollution control agency shall review current lead abatement and standards statutes, laws, and rules, and propose coding to the legislature by January 10, 1995."

Delete the title and insert:

"A bill for an act relating to health; modifying provisions relating to lead abatement; requiring a study and proposal; amending Minnesota Statutes 1992, sections 144.871, by adding a subdivision; and 144.878, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 144.871, subdivision 2; 144.874, subdivisions 3 and 11a; and 144.878, subdivisions 2 and 5; proposing coding for new law in Minnesota Statutes, chapter 144."

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. 2922, A bill for an act relating to human services; modifying certain provisions related to medical assistance and general assistance medical care; amending Minnesota Statutes 1992, sections 246.53, subdivision 1; 252.275, subdivisions 3 and 4; 256.015, subdivisions 2 and 7; 256.9365, subdivisions 1 and 3; 256.969, subdivisions 10 and 16; 256B.042, subdivision 2; 256B.056, by adding a subdivision; 256B.059, subdivision 1; 256B.06, subdivision 4; 256B.0625, by adding a subdivision; 256B.15, subdivision 1a; 256B.69, subdivision 4, and by adding a subdivision; 256D.03, subdivisions 3a and 3b; 256D.16; 256D.425, by adding a subdivision; 261.04, subdivision 2; 524.3-803; 524.3-1201; and 528.08; Minnesota Statutes 1993 Supplement, sections 245.492, subdivision 6; 245.493, subdivision 2, and by adding a subdivision; 245.4932, subdivisions 1 and 2; 245.494, subdivision 3; 245.496, subdivision 3, and by adding a subdivision; 256.9685, subdivision 1; 256.969, subdivision 24; 256B.059, subdivisions 3 and 5; 256B.0595, subdivisions 1, 2, 3, and 4; 256B.15, subdivision 2; 256D.03, subdivisions 3 and 4; and 514.981, subdivisions 2 and 5; proposing coding for new law in Minnesota Statutes, chapter 245; repealing Minnesota Statutes 1992, section 252.275, subdivisions 4a and 10; Minnesota Statutes 1993 Supplement, section 501B.89.

Reported the same back with the following amendments:

Page 7, line 36, delete the new language

Page 8, line 1, delete everything before the semicolon

Page 11, line 36, strike "with"

Page 12, line 1, strike everything before "all" and insert "and may be collected in any manner allowed by chapter 524 or otherwise permitted by law."

Page 12, lines 4 to 8, delete the new language

Page 33, after line 22, insert:

"Sec. 31. Minnesota Statutes 1993 Supplement, section 256B.0625, subdivision 13, is amended to read:

Subd. 13. [DRUGS.] (a) Medical assistance covers drugs, except for fertility drugs, if prescribed by a licensed practitioner and dispensed by a licensed pharmacist, or by a physician enrolled in the medical assistance program as a dispensing physician. The commissioner, after receiving recommendations from professional medical associations and professional pharmacist associations, shall designate a formulary committee to advise the commissioner on the names of drugs for which payment is made, recommend a system for reimbursing providers on a set fee or charge basis rather than the present system, and develop methods encouraging use of generic drugs when they are less expensive and equally effective as trademark drugs. The formulary committee shall consist of nine members, four of whom shall be physicians who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, three of whom shall be pharmacists who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, a consumer representative, and a nursing home representative. Committee members shall serve three-year terms and shall serve without compensation. Members may be reappointed once.

(b) The commissioner shall establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act, but the formulary committee shall review and comment on the formulary contents. The formulary committee shall review and recommend drugs which require prior authorization. The formulary committee may recommend drugs for prior authorization directly to the commissioner, as long as opportunity for public input is provided. Prior authorization may be requested by the commissioner based on medical and clinical criteria before certain drugs are eligible for payment. Before a drug may be considered for prior authorization at the request of the commissioner:

(1) the drug formulary committee must develop criteria to be used for identifying drugs; the development of these criteria is not subject to the requirements of chapter 14, but the formulary committee shall provide opportunity for public input in developing criteria;

(2) the drug formulary committee must hold a public forum and receive public comment for an additional 15 days; and

(3) the commissioner must provide information to the formulary committee on the impact that placing the drug on prior authorization will have on the quality of patient care and information regarding whether the drug is subject to clinical abuse or misuse. Prior authorization may be required by the commissioner before certain formulary drugs are eligible for payment. The formulary shall not include:

(i) drugs or products for which there is no federal funding;

(ii) over-the-counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, products for the treatment of lice, vitamins for adults with documented vitamin deficiencies, and vitamins for children under the age of seven and pregnant or nursing women;

(iii) any other over-the-counter drug identified by the commissioner, in consultation with the drug formulary committee, as necessary, appropriate, and cost-effective for the treatment of certain specified chronic diseases, conditions or disorders, and this determination shall not be subject to the requirements of chapter 14;

(iv) anorectics; and

(v) drugs for which medical value has not been established.

The commissioner shall publish conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

(c) The basis for determining the amount of payment shall be the lower of the actual acquisition costs of the drugs plus a fixed dispensing fee established by the commissioner, the maximum allowable cost set by the federal government or by the commissioner plus the fixed dispensing fee or the usual and customary price charged to the public. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. The actual acquisition cost of a drug shall be estimated by the commissioner, at average wholesale price minus 7.6 percent effective January 1, 1994. The maximum allowable cost of a multisource drug may be set by the commissioner and it shall be comparable to, but no higher than, the maximum amount paid by other third party payors in this state who have maximum allowable cost programs. Establishment of the amount of payment for drugs shall not be subject to the requirements of the administrative procedure act. An additional dispensing fee of \$.30 may be added to the dispensing fee paid to pharmacists for legend drug prescriptions dispensed to residents of long-term care facilities when a unit dose blister card system, approved by the department, is used. Under this type of dispensing system, the pharmacist must dispense a 30-day supply of drug. The National Drug Code (NDC) from the drug container used to fill the blister card must be identified on the claim to the department. The unit dose blister card containing the drug must meet the packaging standards set forth in Minnesota Rules, part 6800.2700, that govern the return of unused drugs to the pharmacy for reuse. The pharmacy provider will be required to credit the department for the actual acquisition cost of all unused drugs that are eligible for reuse. Over-the-counter medications must be dispensed in the manufacturer's unopened package. The commissioner may permit the drug clozapine to be dispensed in a quantity that is less than a 30-day supply. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written - brand necessary" on the prescription as required by section 151.21, subdivision 2. Implementation of any change in the fixed dispensing fee that has not been subject to the administrative procedure act is limited to not more than 180 days, unless, during that time, the commissioner initiates rulemaking through the administrative procedure act.

(d) Until the date the on-line, real-time Medicaid Management Information System (MMIS) upgrade is successfully implemented, as determined by the commissioner of administration, a pharmacy provider may require individuals who seek to become eligible for medical assistance under a one-month spend-down, as provided in section 256B.056, subdivision 5, to pay for services to the extent of the spend-down amount at the time the services are provided. A pharmacy provider choosing this option shall file a medical assistance claim for the pharmacy services provided. If medical assistance reimbursement is received for this claim, the pharmacy provider shall return to the individual the total amount paid by the individual for the pharmacy services reimbursed by the medical assistance program. If the claim is not eligible for medical assistance reimbursement because of the provider's failure to comply with the provisions of the medical assistance program, the pharmacy provider shall refund to the individual the total amount paid by the individual. Pharmacy providers may choose this option only if they apply similar credit restrictions to private pay or privately insured individuals. A pharmacy provider choosing this option must inform individuals who seek to become eligible for medical assistance under a one-month spend-down of (1) their right to appeal the denial of services on the grounds that they have satisfied the spend-down requirement, and (2) their potential eligibility for the health right program or the children's health plan."

Page 34, line 5, strike "filed as" and after the second "the" insert "single"

Page 34, line 6, strike "in the court having"

Page 34, line 7, strike everything before the period and insert "and may be collected in any manner allowed by chapter 524 or otherwise permitted by law" and delete everything after the period

Page 34, delete lines 8 to 11

Page 34, line 12, strike "shall be filed" and insert "exists only"

Page 35, delete lines 17 to 33 and insert:

"Any claim under this section will be limited, or waived, to the extent that evidence of undue hardship upon financially dependent family members or other documented dependents of the deceased medical assistance recipient is shown. Undue hardship exists when application of probate laws regarding medical assistance would deprive financially dependent family members or other documented dependents of the deceased medical assistance recipient of food, clothing, shelter, or other necessities of life. Undue hardship does not exist where application of probate laws regarding medical assistance merely causes the deceased medical recipient's family members or other persons inconvenience, or might restrict their lifestyle, but would not cause the risk of serious deprivation of food, clothing, shelter, or other necessities of life."

Undue hardship does not exist where the waiver or limitation of a claim under this section will not result in the distribution of the estate to the person claiming undue hardship."

Page 47, line 1, strike "allowed"

Page 47, line 2, strike "as" and strike "by the"

Page 47, line 3, strike everything before the period, and insert "and may be collected in any manner allowed by chapter 524 or otherwise permitted by law" and delete everything after the period

Page 47, delete lines 4 to 7

Page 47, line 22, strike "FILED IN PROBATE COURT" and insert "AGAINST ESTATE"

Page 47, line 23, strike "shall be filed in"

Page 47, strike line 24

Page 47, line 25, strike "claims" and insert "may be collected in any manner allowed by chapter 524 or otherwise permitted by law" and delete everything after the period

Page 47, delete lines 26 to 28

Page 49, line 19, reinstate the stricken language

Page 49, line 20, delete the new language

Page 49, delete lines 21 to 31

Page 49, line 32, delete "(5)"

Page 50, line 16, strike "or"

Page 50, line 17, after "(4)" insert "to the extent that evidence of undue hardship upon financially dependent family members or other documented dependents of the medical assistance recipient is shown. Undue hardship exists when enforcement of a medical assistance lien would deprive financially dependent family members or other documented dependents of the medical assistance recipient of food, clothing, shelter, or other necessities of life. Undue hardship

does not exist where enforcement of a medical assistance lien merely causes the medical assistance recipient's family members or other persons inconvenience, or might restrict their lifestyle, but would not cause the risk of serious deprivation of food, clothing, shelter, or other necessities of life; or

(5)"

Page 51, line 29, delete the new language and insert "any claim under section 246.53, 256B.15, 256D.16, or 261.04, within the earlier to expire of one year after death or four months of service of notice meeting the requirements of section 524.3-801, paragraph (c), upon the appropriate government agency;"

Page 51, delete lines 30 to 33

Page 52, delete line 30

Page 52, line 31, delete the new language and insert "or holding property subject to a claim asserted under section 528.08,"

Page 53, delete lines 22 to 25

Page 53, lines 30 and 31, delete the new language

Page 53, line 32, delete "decedent's" and insert "deceased party's"

Page 53, line 35, delete "sections" and insert "section" and delete "and" and insert "or" and delete "probate"

Page 53, line 36, reinstate the stricken language

Page 54, lines 5 to 16, reinstate the stricken language and delete the new language

Page 54, line 17, after the period, insert "For purposes of this section, the term 'personal representative' means the personal representative of the deceased party's estate if one has been appointed or a duly authorized agent of a government agency asserting a claim pursuant to section 246.53, 256B.15, 256D.16, or 261.04 by means of an affidavit of collection under section 524.3-1201, if no application or petition for the appointment of a personal representative is pending or has been granted in any jurisdiction."

Page 54, line 21, after "with" insert "an affidavit of collection under section 524.3-1201 or"

Page 54, line 25, delete everything after the period

Page 54, delete line 26

Page 54, line 29, delete "48" and insert "49"

Page 55, delete lines 5 and 6

Page 55, line 7, delete "6" and insert "5"

Page 55, line 8, delete "7" and insert "6"

Renumber the sections in sequence and correct internal references

Amend the title as follows:

Page 1, line 22, after the first semicolon, insert "256B.0625, subdivision 13;"

Page 1, line 26, delete everything after "10" and insert a period

Page 1, delete line 27

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

The report was adopted.

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

H. F. No. 2925, A bill for an act relating to state lands; requiring that certain leased lakeshore lots in Cook county be reoffered for public sale.

Reported the same back with the following amendments:

Page 1, line 13, after the period, insert "Notwithstanding Minnesota Statutes, section 92.16, subdivision 1, the purchaser may bid at the sale."

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. 2946, A bill for an act relating to witnesses; establishing a privilege for certain communications made to licensed social workers; amending Minnesota Statutes 1993 Supplement, section 595.02, subdivision 1.

Reported the same back with the following amendments:

Page 3, line 12, after the period, insert "The exception for social workers shall not apply to any testimony, records, or other evidence relating to their role as a court-appointed examiner, a probation officer, or an investigator employed by the state or any of its political subdivisions."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2954, A bill for an act relating to insurance; requiring the commissioner of commerce to conduct a study of pollution coverage in Minnesota farm liability policies and report to the legislature.

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

The report was adopted.

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

H. F. No. 2957, A bill for an act relating to insurance; extending to contract for deed vendors the protections contained in the mortgage clause of the standard fire insurance policy; amending Minnesota Statutes 1992, section 65A.01, subdivision 3.

Reported the same back with the following amendments:

Page 7, line 24, delete "August 1, 1994," and insert "January 1, 1995,"

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

The report was adopted.

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

H. F. No. 2958, A bill for an act relating to insurance; Medicare supplement; regulating premium rates; amending Minnesota Statutes 1993 Supplement, section 62A.31, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 62A.31, is amended by adding a subdivision to read:

Subd. 1u. [PREMIUM RATE REGULATION.] No Medicare supplement policy, contract, or certificate, including policies, contracts, or certificates that supplement Medicare issued by health maintenance organizations and those contracts governed by section 1833 or 1876 of the federal Social Security Act, United States Code, title 42, section 1395 et seq., may be issued or renewed to a Minnesota resident unless the premium rate charged complies with this subdivision. The premium rate must:

(1) not be used unless it has been approved by the commissioner of commerce or commissioner of health, whichever is applicable, as being in full compliance with this subdivision and other applicable state law;

(2) not be approved, unless the commissioner of commerce or commissioner of health, whichever is applicable, has determined that the rate is reasonable. In determining reasonableness, the commissioner shall consider the effect of any Medicare benefit and health care financing administrative funding changes, the growth rates applied under section 62J.04, subdivision 1, paragraph (b), to the calendar year or years that the proposed premium rate would be in effect, actuarially valid changes in risk associated with the enrollee population, and actuarially valid changes as a result of statutory changes in Laws 1992, chapter 549;

(3) comply with the minimum loss ratio provided under section 62A.36, except that the loss ratio must be adjusted upward by one percent per year until July 1, 2000, as provided in section 62A.021;

(4) be approved by the commissioner of commerce or commissioner of health, whichever is applicable, as actuarially justified, based upon an actuarial review, by the commissioner's own employed or retained actuary, of the actuarial justification provided by the health carrier; and

(5) not be approved except after compliance with the following procedure:

(i) a health carrier that wishes to increase its premium rate must submit its request to the appropriate commissioner on or before November 1;

(ii) the health carrier must notify its policyholders, contract holders, enrollees, and certificate holders of the proposed increase by mail no later than November 30. The notice must provide a toll-free telephone number that may be used to call the health carrier for more information. The notice must specify the dollar amount per month or the percentage of the proposed increase and itemize the portion of the proposed increase attributable to each of the following:

(A) changes in Medicare deductibles and copays;

(B) changes in Medicare payments to the health carrier;

(C) changes in the medical care component of the consumer price index, based upon the most recent 12-month change available as of October 1, as determined by the commissioners;

(D) expense or claims experience under the plan; and

(E) other factors specified by the health carrier;

(iii) the notice must also inform the recipient of the dates, times, and locations of no fewer than five public hearings arranged jointly by the commissioners of health and commerce and must further inform the recipient that the recipient may appear at the hearing to comment on the proposed increase or may submit written comments to the appropriate

commissioner. The hearings must be held in January and must be located at convenient locations throughout the state, as determined by the commissioners in their discretion. A representative of the health carrier must be present at the hearings. The rate must not be approved until after the hearings;

(iv) clause (iii) does not apply to a proposed rate increase that is attributable only to the change in clause (ii)(C), as determined by the commissioner. Upon receipt of a request for a rate increase, the commissioner shall determine, no later than November 15, whether the proposed increase complies with this clause. If the commissioner is in doubt, the determination shall be that it does not comply; and

(v) no rate increase shall go into effect prior to April 1, except a request that complies with clause (iv).

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment and applies to any rate increase that becomes effective on or after January 1, 1995."

Delete the title and insert:

"A bill for an act relating to insurance; Medicare supplement; regulating premium rates; amending Minnesota Statutes 1992, section 62A.31, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 3022, A bill for an act relating to retirement; St. Paul teachers retirement fund association; requiring proportional representation for various membership groups on the association board of trustees; proposing coding for new law in Minnesota Statutes, chapter 354A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

Section 1. [354A.023] [ST. PAUL TEACHERS RETIREMENT FUND ASSOCIATION GOVERNANCE.]

Subdivision 1. [APPLICATION.] Notwithstanding any provision of chapter 317A, section 354A.021, article V, of the restated articles of incorporation of the teachers retirement fund association of St. Paul, Minnesota, effective July 1, 1978, as amended, or articles II, sections 4 and 5; III, section 1; and V, section 1, of the restated bylaws of the teachers retirement fund association of St. Paul, Minnesota, effective July 1, 1978, as amended, to the contrary, relative to the St. Paul teachers retirement fund association, this section governs the membership composition of its board of trustees, the terms in office of board members, board member eligibility, electorate composition and eligibility, and election procedures.

Subd. 2. [BOARD OF TRUSTEES COMPOSITION.] The management of the St. Paul teachers retirement fund association is vested in a board of ten trustees. The board membership is composed of one ex officio board member, who is the then current chair of the board of independent school district No. 625, St. Paul, and nine trustees elected by and from the members of the St. Paul teachers retirement fund association as provided in subdivision 4.

Subd. 3. [BOARD OF TRUSTEES TERMS.] (a) The term of the ex officio board member is coincidental with that person's term of office as the chair of the board of independent school district No. 625, St. Paul.

(b) The term of elected members of the board is three years and until the successor has been elected and qualified. The term begins and ends on the third Thursday in the month of January of the applicable year. The terms of elected members of the board must be staggered.

Subd. 4. [BOARD MEMBER REPRESENTATION.] (a) Of the nine trustees elected by and from the members of the St. Paul teachers retirement fund association, six board members must be active members of the fund and three board members must be fund retirement annuitants, disabilitants, or surviving spouse benefit recipients.

(b) Two active member board positions and one annuity or benefit recipient board position must be filled at each board of trustee election.

(c) Only active members may vote for the elected board member positions representing active members and only retirement annuitants, disabilitants, and surviving spouse benefit recipients may vote for the elected board member positions representing annuity or benefit recipients.

(d) If an elected board member changes membership group status before the end of the person's term, the person must resign from the board of trustees. However, the person may be a candidate for the appropriate membership group board position in a subsequent election.

(e) If there is a vacancy in an elected board member position, the vacancy must be filled by a special election held for that purpose. The special election must be conducted in a manner consistent with this section, and, if not inconsistent with this section, article IV of the bylaws of the St. Paul teachers retirement fund association in effect on the date of enactment of this section.

Subd. 5. [ELECTIONS BY MAIL BALLOT.] (a) Voting for elected board members must be conducted using paper ballots, which must be mailed by the chief administrative officer of the fund to eligible members and must be returned by mail.

(b) Return envelopes for ballots may not have the postage paid by the fund unless all return envelopes for ballots are so treated. Return envelopes for ballots may not have the postage paid by any candidate for a board member position or on behalf of any candidate for a board member position.

(c) The ballot for a regular election must be provided to eligible members by November 1 and must be returned with a postmark no later than midnight of the Friday of the third week of November. In the event of a vacancy in an elected board member position, the ballot for a special election must be provided to eligible members within three weeks of the vacancy and must be returned by eligible voting members with a postmark no later than midnight of the Friday of the fourth full week following the vacancy.

Subd. 6. [SECRETARY-TREASURER NOT TO BE BOARD MEMBER.] (a) Effective on the January 19 next following the effective date of this section, the person who holds the position of secretary of the St. Paul teachers retirement fund association and the person who holds the position of treasurer of the St. Paul teachers retirement fund association or the person who holds the combined position of secretary-treasurer of the St. Paul teachers retirement fund association may not also be an elected board member of the fund association.

(b) The chief administrative officer of the St. Paul teachers retirement fund association must be known as the executive director of the fund.

Subd. 7. [ARTICLE AND BYLAW AMENDMENTS AUTHORIZED.] At the next annual meeting of the St. Paul teachers retirement fund association or at a special meeting of the association called by the board of trustees for that purpose, the association may consider and adopt any amendments to its articles of incorporation or bylaws needed to conform or implement this section.

Sec. 2. [EFFECTIVE DATE.]

(a) Section 1 is effective on the day following approval of all provisions by majority vote at the first annual or special membership meeting of the St. Paul teachers retirement fund association occurring after the date of enactment.

(b) The board of trustees of the St. Paul teachers retirement fund association shall propose the question on the approval of these provisions to the fund membership at the applicable membership meeting. The provisions of section 1 are a single question and may not be divided or voted upon as separate items.

(c) Nothing in section 1 may be construed to reduce the term of any elected member of the board of trustees of the St. Paul teachers retirement fund association serving as such on the effective date of section 1.

ARTICLE 2

Section 1. [356.219] [DISCLOSURE OF ADDITIONAL PUBLIC PENSION PLAN INVESTMENT INFORMATION.]

Subdivision 1. [REPORT REQUIRED.] The state board of investment on behalf of the public pension funds and programs for which it is the investment authority and any Minnesota public pension plan not wholly invested through the state board of investments, including a local police or firefighters' relief association governed by sections 69.77 or 69.771 to 69.775, shall report the information specified in subdivision 2 to the state auditor. The state auditor may prescribe a form or forms for the purposes of the reporting requirements contained in this section.

Subd. 2. [CONTENT AND TIMING OF REPORTS.] (a) The following information shall be included in the report required by subdivision 1:

- (1) the market value of all investments at the close of the reporting period;
- (2) regular payroll-based contributions to the fund;
- (3) other contributions and revenue paid into the fund, including, but not limited to, state or local nonpayroll based contributions, repaid refunds, and buybacks;
- (4) total benefits paid to members;
- (5) fees paid for investment management services;
- (6) salaries and other administrative expenses paid; and
- (7) total return on investment.

The report must also include a written statement of the investment policy in effect on June 30, 1988, and any investment policy changes made subsequently and shall include the effective date of each policy change. The information required under this subdivision must be reported separately for each investment account or investment portfolio included in the pension fund.

(b) The information specified in paragraph (a) must be provided separately for each quarter for the fiscal years of the pension fund ending during calendar years 1989 through 1991 and on a monthly basis thereafter. The required information through fiscal year 1993 must be submitted to the state auditor on or before October 1, 1994, and subsequently within six months of the end of each fiscal year.

Subd. 3. [PENALTY FOR NONCOMPLIANCE.] Failure to comply with the reporting requirements of this section shall result in a withholding of all state aid to which the pension plan may otherwise be entitled. The state auditor shall instruct the commissioners of revenue and finance to withhold state aid from any pension plan that fails to comply with the reporting requirements contained in this section.

Subd. 4. [INVESTMENT DISCLOSURE REPORT.] Using the information provided under subdivision 2, the state auditor shall prepare an annual report to the legislature on the components of investment performance resulting from stages in the investment decision making process of various public pension plans subject to this section. The state auditor may contract with a qualified consultant or consulting firm to perform the analysis and prepare the report required under this subdivision.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "requiring disclosure of certain investment information,"

Page 1, line 6, delete "chapter 354A" and insert "chapters 354A; and 356"

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. 3138, A bill for an act relating to state and local revenues; providing for state financial management reform; modifying proposed property tax notices; appropriating money; amending Minnesota Statutes 1992, sections 16A.11, by adding a subdivision; and 124.196; Minnesota Statutes 1993 Supplement, sections 16A.04, subdivision 1; 16A.11, subdivision 1; and 275.065, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 16A; and 275.

Reported the same back with the following amendments:

Page 1, line 26, delete "biennium" and insert "two bienniums"

Page 2, line 6, after the second "taxes" insert "and the effect of the recommendations on the incidence of the tax burden by income class"

Page 2, line 8, delete everything after the period

Page 2, delete line 9

Page 2, line 12, delete "biennium" and insert "two bienniums"

Page 2, line 21, after the second "taxes" insert "and the effect of the resolution on the incidence of the tax burden by income class"

Page 2, line 24, delete "Nontax"

Page 2, delete lines 25 and 26

Page 3, line 16, after "In" insert "February and"

Page 3, line 33, after the first "the" insert "November"

Page 3, line 34, delete "nontax governmental" and insert "departmental earnings as defined in section 16A.1285"

Page 3, line 35, delete "revenues"

Page 3, line 36, delete "nontax governmental" and insert "local government revenues similar to departmental earnings as defined in section 16A.1285."

Page 4, delete lines 1 to 26

Page 5, line 20, after the comma, insert "including"

Page 5, line 32, delete "specify how the budget reserve will be restored" and insert "include provisions for returning to structural balance"

Page 6, line 1, after the semicolon, insert "a limit on the ratio of the total debt of state agencies, public corporations and the University of Minnesota compared to total personal income;"

Page 6, line 5, after the semicolon, insert "and"

Page 6, line 6, delete everything after "debt" and insert a period

Page 6, delete line 7

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling/State Government Finance Division.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 3146, A bill for an act relating to commerce; restraint of trade; providing a civil remedy for injury to business reputation or dilution of quality of a mark; providing grounds for injunctive relief; proposing coding for new law in Minnesota Statutes, chapter 325D.

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. 3179, A bill for an act relating to waters; preservation of wetlands; drainage and filling for public roads; defining terms; board action on local government plans; action on approval of replacement plans; computation of value; appropriating money; amending Minnesota Statutes 1992, sections 103G.2242, subdivisions 1, 5, 6, 7, and 8; and 103G.237, subdivision 4; Minnesota Statutes 1993 Supplement, sections 103G.222; and 103G.2241.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Rest from the Committee on Taxes to which was referred:

S. F. No. 103, A bill for an act relating to lawful gambling; regulating the conduct of lawful gambling; prescribing the powers and duties of licensees and the board; giving the gambling control board director cease and desist authority for violations of board rules; adding restrictions for bingo halls, distributors, and manufacturers; providing more flexibility in denying a license application to ensure the integrity of the lawful gambling industry; strengthening the gambling control board's enforcement ability by increasing licensing requirements; establishing the combined receipts tax as a lawful purpose expenditure; expanding definition of lawful purpose to include certain senior citizen activities, certain real estate taxes and assessments, and wildlife management projects; prohibiting the use of lawful purpose contributions by local governmental units in pension or retirement funds; exempting organizations with gross receipts of \$50,000 or less from the annual audit; expanding the definition of a class C license; making class C licensee reporting requirements quarterly; modifying the definition of allowable expense to include some advertising costs; eliminating additional compensation for the state lottery director; clarifying and strengthening the regulation of the conduct of bingo; prohibiting certain forms of gambling by persons under 18; modifying the definition of net profits for local assessments; prescribing penalties; amending Minnesota Statutes 1992, sections 240.13, subdivision 8; 240.25, by adding a subdivision; 240.26, subdivision 3; 299L.03, subdivisions 1 and 2; 299L.07, by adding a subdivision; 349.12, subdivisions 1, 3a, 4, 8, 11, 18, 19, 21, 23, 25, 30, 32, 34, and by adding a subdivision; 349.151, subdivision 4; 349.152, subdivisions 2 and 3; 349.153; 349.154, subdivision 2; 349.16, subdivisions 6 and 8; 349.161, subdivisions 1, 3, and 5; 349.162, subdivisions 1, 2, 4, and 5; 349.163, subdivisions 1, 1a, 3, 5, and 6; 349.164, subdivisions 1, 3, and 6; 349.1641; 349.166, subdivisions 1, 2, and 3; 349.167, subdivisions 1 and 4; 349.168, subdivisions 3 and 6; 349.169, subdivision 1; 349.17, subdivisions 2, 4, 5, and by adding a subdivision; 349.174; 349.18, subdivisions 1, 1a, and 2; 349.19, subdivisions 2, 5, 6, 8, and 9; 349.191, subdivisions 1, 4, and by adding a subdivision; 349.211, subdivisions 1 and 2; 349.2122;

349.2125, subdivisions 1 and 3; 349.2127, subdivisions 2, 4, and by adding a subdivision; 349.213, subdivision 1; 349A.03, subdivision 2; 349A.12, subdivisions 1, 2, 5, and 6; and 609.755; proposing coding for new law in Minnesota Statutes, chapters 471; and 609; repealing Minnesota Statutes 1992, sections 349A.03, subdivision 3; and 349A.08, subdivision 3.

Reported the same back with the recommendation that 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:

S. F. No. 1732, A bill for an act relating to conciliation courts; expanding conciliation court jurisdiction over matters involving rental property; allowing nonattorneys to represent condominium and cooperative associations; amending Minnesota Statutes 1993 Supplement, sections 481.02, subdivision 3; 491A.01, subdivision 9; and 491A.02, subdivision 4.

Reported the same back with the following amendments:

Page 4, line 24, after "[REPRESENTATION.]" insert "(a)"

Page 4, line 29, after "employee" insert "or commercial property manager"

Page 4, line 32, after "employee," insert "commercial property manager,"

Page 5, after line 5, insert:

"(b) "Commercial property manager" means a corporation, partnership, or limited liability company or its employees who are hired by the owner of commercial real estate to perform a broad range of administrative duties at the property including tenant relations matters, leasing, repairs, maintenance, the negotiation and resolution of tenant disputes, and related matters. In order to appear in conciliation court, a property manager's employees must possess a real estate license under section 82.20 and be authorized by the owner of the property to settle all disputes with tenants and others within the jurisdictional limits of conciliation court.

(c) A commercial property manager who is appointed to settle a claim in conciliation court may not charge or collect a separate fee for services rendered under paragraph (a).

Sec. 4. Minnesota Statutes 1992, section 566.05, is amended to read:

566.05 [COMPLAINT AND SUMMONS.]

The person complaining shall file a complaint with the court, describing the premises of which possession is claimed, stating the facts which authorize the recovery, and praying for restitution thereof. The court shall issue a summons, commanding the person against whom the complaint is made to appear before the court on a day and at a place stated in the summons. The appearance shall be not less than seven nor more than 14 days from the day of issuing the summons. In scheduling appearances under this section, the court shall give priority to any unlawful detainer brought under section 504.181, or on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property. A copy of the complaint shall be attached to the summons, which shall state that the copy is attached and that the original has been filed.

Sec. 5. Minnesota Statutes 1992, section 566.07, is amended to read:

566.07 [ANSWER; TRIAL.]

After the return of the summons, at the time and place appointed therein, the defendant, on appearing, may answer the complaint, and all matters in excuse, justification, or avoidance of the allegations thereof shall be set up in the answer; and thereupon the court shall hear and determine the action, unless it shall adjourn the trial as provided in section 566.08, but either party may demand a trial by jury. The proceedings in such action shall be the same as in

other civil actions, except as in this chapter otherwise provided. The court, in scheduling appearances and hearings under this section, shall give priority to any unlawful detainer brought under section 504.181, or on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property.

Sec. 6. Minnesota Statutes 1992, section 566.09, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] If the court or jury finds for the plaintiff, the court shall immediately enter judgment that the plaintiff have restitution of the premises and tax the costs for the plaintiff. The court shall issue execution in favor of the plaintiff for the costs and also immediately issue a writ of restitution. The court shall give priority in issuing a writ of restitution for any unlawful detainer brought under section 504.181 or on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property. Except in actions brought under (1) section 566.02 as required by section 609.5317, subdivision 1, (2) under section 504.181, or (3) on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property, upon a showing by the defendant that immediate restitution of the premises would work a substantial hardship upon the defendant or the defendant's family, the court shall stay the writ of restitution for a reasonable period, not to exceed seven days. If the court or jury finds for the defendant, the court shall enter judgment for the defendant, tax the costs against the plaintiff, and issue execution therefor.

Sec. 7. Minnesota Statutes 1992, section 566.16, is amended to read:

566.16 [FORMS OF SUMMONS AND WRIT.]

Subdivision 1. [FORM.] The summons and writ of restitution may be substantially in the following forms:

FORM OF SUMMONS

State of Minnesota)

) ss.

County of)

Whereas,, of, hath filed with the undersigned, a judge in and for said county, a complaint against, of, a copy whereof is hereto attached: Therefore you are hereby summoned to appear before the undersigned on the day of, 19....., at o'clockm., at, then and there to make answer to and defend against the complaint aforesaid, and further to be dealt with according to law.

Dated at, this day of, 19.....

.....

Judge of court.

FORM OF WRIT OF RESTITUTION

State of Minnesota)

) ss.

County of)

The State of Minnesota, to the Sheriff or Any Constable of the County Aforesaid:

Whereas,, plaintiff, of, in an action for an unlawful or forcible entry and detainer (or for an unlawful detainer, as the case may be), at a court held at, in the county aforesaid, on the day of, 19....., before, a judge in and for said county, by the consideration of the court, recovered a judgment against, of, to have restitution of (here describe the premises as in the complaint):

Therefore, you are hereby commanded that, taking with you the force of the county, if necessary, you cause the said to be immediately removed from the aforesaid premises, and the said to have peaceable restitution of the same. You are also hereby commanded that of the goods and chattels of the said within said county you cause

to be levied, and, the same being disposed of according to law, to be paid to the said the sum of dollars, being the costs taxed against the said for the said, at the court aforesaid, together with 25 cents for this writ; and thereof, together with this writ, make due return within 30 days from the date hereof, according to law.

Dated at, this day of, 19.....

.....
Judge of court.

Subd. 2. [NOTICE OF DRUG RELATED WRIT.] The court shall identify a writ of restitution that is issued pursuant to an unlawful detainer action under section 504.181, or on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property and clearly note on the writ of restitution that it is a priority writ. Notice that it is a priority writ must be made in a manner that is obvious to an officer who must execute the writ under section 566.17.

Sec. 8. Minnesota Statutes 1992, section 566.17, is amended by adding a subdivision to read:

Subd. 1a. [PRIORITY; EXECUTION OF DRUG RELATED WRIT.] An officer shall give priority to the execution, under this section, of any writ of restitution that is based on an unlawful detainer action under section 504.181, or on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "allowing commercial property managers to represent clients; requiring the court to give scheduling priority to unlawful detainer actions involving alleged tenant use of drugs;" and after "amending" insert "Minnesota Statutes 1992, sections 566.05; 566.07; 566.09, subdivision 1; 566.16; and 566.17, by adding a subdivision;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

S. F. No. 1744, A bill for an act relating to the city of Lakefield; allowing the city of Lakefield to expand its public utilities commission to five members.

Reported the same back with the following amendments:

Page 1, line 9, delete "up to two" and insert "one" and after "be" insert "a"

Page 1, line 10, delete "members" and insert "member"

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

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

S. F. No. 1766, A bill for an act relating to attorneys; expanding remedies for the unauthorized practice of law; amending Minnesota Statutes 1992, section 481.02, subdivision 8.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1992, section 325D.55, subdivision 2, is amended to read:

Subd. 2. Nothing contained in sections 325D.49 to 325D.66, shall apply to actions or arrangements otherwise permitted, or regulated by any regulatory body or officer acting under statutory authority of this state or the United States. This subdivision includes, but is not limited to, programs established and operated by organizations under the supervision of the Supreme Court of this state that provide legal services to low income persons at reduced fees based on an established fee structure.

Sec. 2. Minnesota Statutes 1993 Supplement, section 481.02, subdivision 3, is amended to read:

Subd. 3. [PERMITTED ACTIONS.] The provisions of this section shall not prohibit:

(1) any person from drawing, without charge, any document to which the person, an employer of the person, a firm of which the person is a member, or a corporation whose officer or employee the person is, is a party, except another's will or testamentary disposition or instrument of trust serving purposes similar to those of a will;

(2) a person from drawing a will for another in an emergency if the imminence of death leaves insufficient time to have it drawn and its execution supervised by a licensed attorney-at-law;

(3) any insurance company from causing to be defended, or from offering to cause to be defended through lawyers of its selection, the insureds in policies issued or to be issued by it, in accordance with the terms of the policies;

(4) a licensed attorney-at-law from acting for several common-carrier corporations or any of its subsidiaries pursuant to arrangement between the corporations;

(5) any bona fide labor organization from giving legal advice to its members in matters arising out of their employment;

(6) any person from conferring or cooperating with a licensed attorney-at-law of another in preparing any legal document, if the attorney is not, directly or indirectly, in the employ of the person or of any person, firm, or corporation represented by the person;

(7) any licensed attorney-at-law of Minnesota, who is an officer or employee of a corporation, from drawing, for or without compensation, any document to which the corporation is a party or in which it is interested personally or in a representative capacity, except wills or testamentary dispositions or instruments of trust serving purposes similar to those of a will, but any charge made for the legal work connected with preparing and drawing the document shall not exceed the amount paid to and received and retained by the attorney, and the attorney shall not, directly or indirectly, rebate the fee to or divide the fee with the corporation;

(8) any person or corporation from drawing, for or without a fee, farm or house leases, notes, mortgages, chattel mortgages, bills of sale, deeds, assignments, satisfactions, or any other conveyances except testamentary dispositions and instruments of trust;

(9) a licensed attorney-at-law of Minnesota from rendering to a corporation legal services to itself at the expense of one or more of its bona fide principal stockholders by whom the attorney is employed and by whom no compensation is, directly or indirectly, received for the services;

(10) any person or corporation engaged in the business of making collections from engaging or turning over to an attorney-at-law for the purpose of instituting and conducting suit or making proof of claim of a creditor in any case in which the attorney-at-law receives the entire compensation for the work;

(11) any regularly established farm journal or newspaper, devoted to general news, from publishing a department of legal questions and answers to them, made by a licensed attorney-at-law, if no answer is accompanied or at any time preceded or followed by any charge for it, any disclosure of any name of the maker of any answer, any recommendation of or reference to any one to furnish legal advice or services, or by any legal advice or service for the periodical or any one connected with it or suggested by it, directly or indirectly;

(12) any authorized management agent of an owner of rental property used for residential purposes, whether the management agent is a natural person, corporation, partnership, limited partnership, or any other business entity, from commencing, maintaining, conducting, or defending in its own behalf any action in any court in this state to recover or retain possession of the property, except that the provision of this clause does not authorize a person who is not a licensed attorney-at-law to conduct a jury trial or to appear before a district court or the court of appeals or supreme court pursuant to an appeal;

(13) any person from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any court of this state pursuant to the provisions of section 566.175 or sections 566.18 to 566.35 or from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any court of this state for the recovery of rental property used for residential purposes pursuant to the provisions of section 566.02 or 566.03, subdivision 1, except that the provision of this clause does not authorize a person who is not a licensed attorney-at-law to conduct a jury trial or to appear before a district court or the court of appeals or supreme court pursuant to an appeal, and provided that, except for a nonprofit corporation, a person who is not a licensed attorney-at-law shall not charge or collect a separate fee for services rendered pursuant to this clause;

(14) the delivery of legal services by a specialized legal assistant in accordance with a specialty license issued by the supreme court before July 1, 1995;

(15) the sole shareholder of a corporation from appearing on behalf of the corporation in court; ~~or~~

(16) an officer, manager, partner, or employee from appearing on behalf of a corporation, limited liability company, partnership, sole proprietorship, or association in conciliation court or in a district court action removed from conciliation court, in accordance with section 491A.02, subdivision 4; or

(17) an adult child who is assisting a parent in the parent's pro se representation in an action and is authorized by power of attorney, from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any administrative proceeding or court of this state; except that if the adult is not a licensed attorney at law, the adult child shall not charge or collect a separate fee for services rendered under this clause."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to attorneys; providing for certain programs to provide legal services to low-income persons; regulating the unauthorized practice of law; amending Minnesota Statutes 1992, sections 325D.55, subdivision 2; and 481.02, subdivision 8; Minnesota Statutes 1993 Supplement, section 481.02, subdivision 3."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 1794, A bill for an act relating to insurance; prohibiting insurers from obtaining or using HIV antibody test results arising out of exposure and testing for emergency medical service personnel; amending Minnesota Statutes 1992, section 72A.20, subdivision 29.

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

The report was adopted.

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

S. F. No. 1898, A bill for an act relating to insurance; health; requiring coverage for equipment and supplies for the management and treatment of diabetes; proposing coding for new law in Minnesota Statutes, chapter 62A.

Reported the same back with the following amendments:

Page 1, line 15, before "or" insert "medical equipment."

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

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

S. F. No. 1911, A bill for an act relating to the secretary of state; changing filing procedures for corporations and certain organizations; providing for service of process on limited partnerships; changing requirements for filings governed by the uniform commercial code; amending Minnesota Statutes 1992, sections 302A.821, subdivision 1; 303.07, subdivision 2; 303.17, subdivisions 2 and 4; 315.23, subdivision 3; 315.44; Minnesota Statutes 1993 Supplement, sections 336.9-403; 336.9-407; 336.9-413; 336A.04, subdivision 3; 336A.09, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 322A.

Reported the same back with the following amendments:

Page 1, after line 14, insert:

"Section 1. Minnesota Statutes 1992, section 272.488, subdivision 1, is amended to read:

Subdivision 1. [FILING OF NOTICES.] Notices of federal tax liens, certificates, or revocations of certificates of release of federal tax liens, ~~and~~ refiled notices of any of those items, and any other notices affecting federal tax liens that are required to be filed with the county recorder, in a form prescribed by the Internal Revenue Service, may be filed with the county recorder or the secretary of state by mail, personal delivery, or by electronic transmission by the Secretary of the Treasury of the United States or a delegate into the computerized filing system of the secretary of state authorized under section 336.9-411. The secretary of state shall act as the agent of the county recorder and shall transmit the notice electronically to the office of the county recorder, if that is the place of filing, in the county or counties shown on the computer entry. ~~The filing officer, whether the county recorder or the secretary of state, shall endorse and index a printout of the notice in the same manner as if the notice had been mailed or delivered. The electronic record must be endorsed and indexed within the computerized filing system as required by section 272.483.~~

Sec. 2. Minnesota Statutes 1992, section 272.488, is amended by adding a subdivision to read:

Subd. 3. [FILING OF NOTICES WITH SECRETARY OF STATE.] Notices of federal tax liens, certificates, or revocations of certificates of release of federal tax liens, refiled notices of any of those items, and any other notices affecting federal tax liens that are required to be filed with the secretary of state, in a form prescribed by the Internal Revenue Service, may be filed with the secretary of state by mail, personal delivery, or electronic transmission by the Secretary of the Treasury of the United States or a delegate into the computerized filing system of the secretary of the state authorized under section 336.9-411. The electronic record must be endorsed and indexed within the computerized filing system as required by section 272.483.

Sec. 3. Minnesota Statutes 1992, section 272.488, is amended by adding a subdivision to read:

Subd. 4. [ENTRY OF INFORMATION.] For documents filed by mail or in person, the filing officer shall enter the data as if it had been transmitted electronically. Once the electronic record is created, it must be endorsed and indexed within the computerized filing system. The filing officer must write or mark the filing information on the document that was submitted and return the document to the submitting party.

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "modifying requirements for electronic filing of tax liens and notices,"

Page 1, line 7, after "sections" insert "272.488, subdivision 1, and by adding subdivisions,"

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

The report was adopted.

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

S. F. No. 1912, A bill for an act relating to insurance; accident and health; permitting short-term coverage; amending Minnesota Statutes 1993 Supplement, section 62A.65, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 62A.65, is amended by adding a subdivision to read:

Subd. 7. [SHORT-TERM COVERAGE.] (a) For purposes of this section, "short-term coverage" means an individual health plan that:

(1) is issued to provide coverage for a period of 185 days or less, except that the health plan may permit coverage to continue until the end of a period of hospitalization for a condition for which the covered person was hospitalized on the day that coverage would otherwise have ended;

(2) is nonrenewable, provided that the health carrier may provide coverage for one or more subsequent periods that satisfy clause (1), if the total of the periods of coverage do not exceed a total of 185 days out of any 365-day period, plus any additional days covered as a result of hospitalization on the day that a period of coverage would otherwise have ended;

(3) does not cover any preexisting conditions, including ones that originated during a previous identical policy or contract with the same health carrier where coverage was continuous between the previous and the current policy or contract; and

(4) is available with an immediate effective date without underwriting upon receipt of a completed application indicating eligibility under the health carrier's eligibility requirements, provided that coverage that includes optional benefits may be offered on a basis that does not meet this requirement.

(b) Short-term coverage is not subject to subdivisions 2 and 5. Short-term coverage may exclude as a preexisting condition any injury, illness, or condition for which the covered person had medical treatment, symptoms, or any manifestations before the effective date of the coverage, but dependent children born or placed for adoption during the policy period must not be subject to this provision.

(c) Notwithstanding subdivision 3, and section 62A.021, a health carrier may combine short-term coverage with its most commonly sold individual qualified plan, as defined in section 62E.02, other than short-term coverage, for purposes of complying with the loss ratio requirement.

(d) The 185 day coverage limitation provided in paragraph (a) applies to the total number of days of short-term coverage that covers a person, regardless of the number of policies, contracts, or health carriers that provide the coverage. A written application for short-term coverage must ask the applicant whether the applicant has been covered by short-term coverage by any health carrier within the 365 days immediately preceding the effective date of the coverage being applied for. Short-term coverage issued in violation of the 185-day limitation is valid until the end of its term and does not lose its status as short-term coverage, in spite of the violation. A health carrier that knowingly issues short-term coverage in violation of the 185-day limitation is subject to the administrative penalties otherwise available to the commissioner of commerce or the commissioner of health, as appropriate.

(e) Time spent under short-term coverage counts as time spent under a preexisting condition limitation for purposes of group or individual health plans, other than short-term coverage, subsequently issued to that person, or to cover that person, by any health carrier, if the person maintains continuous coverage as defined in section 62L.02. Short-term coverage is a health plan and is qualifying coverage as defined in section 62L.02. Notwithstanding any other law to the contrary, a health carrier is not required under any circumstances to provide a person covered by short-term coverage the right to obtain coverage on a guaranteed issue basis under another health plan offered by the health carrier, as a result of the person's enrollment in short-term coverage.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

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

The report was adopted.

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

S. F. No. 1951, A bill for an act relating to insurance; health; restricting termination or reductions of coverage for fibrocystic conditions; proposing coding for new law in Minnesota Statutes, chapter 62A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [62A.305] [FIBROCYSTIC CONDITION; TERMINATION OR REDUCTION OF COVERAGE.]

No health plan shall be terminated, canceled, nonrenewed, or contain any increased premium rate, or exclusion, reduction, or limitation on benefits, nor shall coverage be denied, solely because the covered person has been diagnosed as having a fibrocystic breast condition.

Sec. 2. [EFFECTIVE DATE; APPLICATION.]

Section 1 is effective August 1, 1994, and applies to a plan issued or renewed to provide coverage to a Minnesota resident on and after that date."

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

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

S. F. No. 2009, A bill for an act relating to public safety; increasing membership of emergency response commission by one representative of emergency managers; amending Minnesota Statutes 1992, section 299K.03, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 18, after the period, insert "Of the 18 members appointed under this paragraph, no more than nine may be of one gender."

Page 1, after line 23, insert:

"Sec. 2. [APPLICABILITY.]

The gender balance requirements of section 299K.03, subdivision 3, apply only to appointments made after the effective date of this section, and do not operate to displace current members before the end of their terms."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

S. F. No. 2081, A bill for an act relating to state agencies; providing that the open appointments act applies to certain appointments made by the governor and by legislators; authorizing the secretary of state to collect data regarding appointments to multimember agencies by electronic means; requiring multimember agencies to register with the secretary of state; requiring the secretary of state to publish information collected through registration; requiring the secretary of state to furnish copies of registration data to the legislative reference library; extending the expiration date of certain advisory councils; eliminating the family and group family day care task force; amending Minnesota Statutes 1992, sections 15.0597, subdivisions 1 and 5; 115A.072, subdivision 1; and 115A.12; Minnesota Statutes 1993 Supplement, sections 15.0597, subdivisions 2 and 4; and 16B.61, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 15; repealing Minnesota Statutes 1992, section 256.9751, subdivision 2.

Reported the same back with the following amendments:

Page 12, line 4, after the period insert "Sections 6 to 9 are effective the day following final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

S. F. No. 2118, A bill for an act relating to local government; clarifying that the Moose Lake Fire Protection District is a governmental subdivision for certain purposes; making other clarifications; amending Laws 1987, chapter 402, section 2, subdivisions 2, 3, and by adding a subdivision.

Reported the same back with the following amendments:

Page 3, after line 17, insert:

"Sec. 4. [CONVEYANCE OF STATE LAND TO THE DISTRICT.]

Notwithstanding Minnesota Statutes, sections 94.09 to 94.165, and the provisions of Minnesota Statutes, section 84.027, subdivision 10, requiring a declaration of surplus and approval of the executive council, to the contrary, the commissioner of natural resources shall sell the following described land to the Moose Lake area fire protection district, under the remaining provisions of Minnesota Statutes, section 84.027, subdivision 10, for the construction of a fire station and other support facilities. The land shall be sold for the appraised value or such other consideration as may be agreed upon. The land that is to be sold consists of about 3.0 acres and is described as that part of the Southwest Quarter of the Northeast Quarter of Section 29, Township 46, Range 19, City of Moose Lake, Carlton County, which is more particularly described in the agreement and related correspondence between the district and the department of natural resources."

Page 3, line 18, delete "4" and insert "5"

Page 3, line 19, delete "Sections 1 to 3 take" and insert "This act takes"

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "directing the sale of certain state land to the district;"

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1682, 1792, 1834, 1861, 1999, 2005, 2023, 2088, 2124, 2176, 2260, 2296, 2337, 2380, 2391, 2440, 2478, 2517, 2519, 2533, 2553, 2698, 2728, 2776, 2806, 2916, 2925, 2946, 2954, 2957, 2958, 3022 and 3146 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 1732, 1744, 1766, 1794, 1898, 1911, 1912, 1951, 2009, 2081 and 2118 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Brown, C., introduced:

H. F. No. 3189, A bill for an act relating to taxation; exempting certain fire apparatus from motor vehicle registration and excise taxes; amending Minnesota Statutes 1992, section 168.012, subdivision 1.

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

Olson, E., introduced:

H. F. No. 3190, A bill for an act relating to taxation; modifying the requirement of payment of taxes on divided parcels upon transfer; amending Minnesota Statutes 1992, section 272.121, subdivision 1.

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

Stanius introduced:

H. F. No. 3191, A bill for an act relating to health; directing the board of pharmacy to establish a class of transition drugs; establishing an advisory committee on transition drugs; proposing coding for new law in Minnesota Statutes, chapter 151.

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

Goodno and Bettermann introduced:

H. F. No. 3192, A bill for an act relating to unemployment compensation; regulating the use of dislocated worker funds for state employees; amending Minnesota Statutes 1992, section 268.06, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Rest introduced:

H. F. No. 3193, A bill for an act relating to public finance; providing conditions and requirements for the issuance of debt; authorizing the use of revenue recapture by certain housing agencies; clarifying a property tax exemption; providing procedures for use of obligations to satisfy unfunded pension liabilities; authorizing use of special assessments for on-site water contamination improvements; authorizing an increase in the membership of county

housing and redevelopment authorities; amending Minnesota Statutes 1992, sections 270A.03, subdivision 2; 353A.09, subdivision 5; 383.06, subdivision 2; 423A.02, subdivision 1; 429.011, by adding a subdivision; 429.031, subdivision 3; 469.006, subdivision 1; 469.157; 469.158; 469.184, by adding a subdivision; 471.56, subdivision 5, and by adding a subdivision; 471.562, subdivision 3, and by adding a subdivision; 475.51, subdivision 4; 475.52, subdivisions 1 and 6; 475.53, subdivision 5; 475.54, subdivision 16; 475.60, by adding a subdivision; and 475.79; Minnesota Statutes 1993 Supplement, sections 272.02, subdivision 1; and 469.033, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 469.

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

Sekhon, Hausman, Kahn and Munger introduced:

H. F. No. 3194, A bill for an act relating to forests; modifying and expanding responsibilities of the department of natural resources and counties with respect to management of forest resources; appropriating money; amending Minnesota Statutes 1992, sections 89.001, subdivisions 8, 9, 10, and by adding subdivisions; 89.002, subdivision 1; 89.01, subdivision 1, and by adding subdivisions; 89.011, subdivisions 2, 3, and 4; 89.012; 90.041, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 282.

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

Rest introduced:

H. F. No. 3195, A bill for an act relating to tax increment financing; reducing certain aid appropriations; imposing restrictions and changing various tax increment limitations and procedures; amending Minnesota Statutes 1992, sections 273.1399, subdivisions 2, 3, and by adding a subdivision; 469.175, subdivisions 3, 4, and by adding a subdivision; 469.1761, subdivisions 1, 2, and 3; and 469.177, subdivision 1a; Minnesota Statutes 1993 Supplement, sections 273.1399, subdivision 1; and 469.176, subdivisions 1b and 4c; proposing coding for new law in Minnesota Statutes, chapter 469.

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

Olson, K., and Mosel introduced:

H. F. No. 3196, A bill for an act relating to state lands; providing for payment in lieu of taxes for certain acquired natural resources lands; amending Minnesota Statutes 1992, section 477A.12; Minnesota Statutes 1993 Supplement, section 477A.14.

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

Frerichs, Workman and Smith introduced:

H. F. No. 3197, A bill for an act relating to taxation; exempting recycling facilities for the property tax; expanding the sales and use tax exemption for recycling facility construction materials and making it permanent; amending Minnesota Statutes 1992, sections 272.02, by adding a subdivision; and 297A.25, subdivision 50; Laws 1992, chapter 511, article 8, section 39.

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 2035, A bill for an act relating to commerce; residential building contractors and remodelers; clarifying legislative intent to require maintenance of bonds until license renewal; requiring recovery fund fee proration in certain circumstances; amending Minnesota Statutes 1993 Supplement, section 326.975, subdivision 1.

H. F. No. 2178, A bill for an act relating to state lands; authorizing private sale of certain tax-forfeited land that borders public water in Meeker county.

H. F. No. 2210, A bill for an act relating to data practices; regulating the classification and release of certain department of commerce data; amending Minnesota Statutes 1992, section 13.71, by adding subdivisions.

H. F. No. 2435, A bill for an act relating to animals; changing procedures concerning certain abandoned animals; amending Minnesota Statutes 1992, section 346.37, subdivision 1.

H. F. No. 2679, A bill for an act relating to boilers and engines; modifying provisions relating to hobby boilers and show engines; amending Minnesota Statutes 1992, section 183.411, subdivision 2; repealing Minnesota Statutes 1992, section 183.411, subdivision 1a.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. Nos. 1483, 1662, 1862, 2071, 2246, 2422, 2431, 1616, 1764 and 1918.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. Nos. 1930, 1959, 2011, 2464, 2468, 2491, 2582, 2598 and 2710.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. Nos. 2462, 2503, 2579, 2135, 2255, 2345, 1702, 1832, 2262, 2572 and 2671.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1483, A bill for an act relating to elections; changing certain requirements and procedures for voter registration and absentee voting; imposing a penalty; amending Minnesota Statutes 1992, sections 201.061, subdivision 1; 201.12, subdivision 2; 201.121, subdivision 1; 201.171; 203B.02, subdivision 1a; 203B.03, subdivision 1; 203B.04, subdivision 1; 203B.06, subdivision 3; 203B.07, subdivision 2; 203B.08, subdivision 1; 203B.11, by adding a subdivision;

203B.12, subdivision 2, and by adding a subdivision; 203B.13, subdivisions 1 and 2; 203B.16, by adding a subdivision; and 203B.19; Minnesota Statutes 1993 Supplement, sections 201.071, subdivision 1; 201.081; and 201.13, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 203B.

The bill was read for the first time.

Bergson moved that S. F. No. 1483 and H. F. No. 377, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1662, A bill for an act relating to family; adopting the uniform interstate family support act; repealing the revised uniform reciprocal enforcement of support act; proposing coding for new law in Minnesota Statutes, chapter 518C; repealing Minnesota Statutes 1992, sections 518C.01 to 518C.36.

The bill was read for the first time.

Wejcman moved that S. F. No. 1662 and H. F. No. 1792, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1862, A bill for an act relating to economic development; increasing the membership of the job skills partnership board; amending Minnesota Statutes 1993 Supplement, section 116L.03, subdivisions 1 and 2.

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

S. F. No. 2071, A bill for an act relating to the department of revenue; providing for the coordination of sales tax schedules for the state and the city of Saint Paul.

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

S. F. No. 2246, A bill for an act relating to natural resources; authorizing the exchange of certain state lands in Wabasha and Fillmore counties under certain conditions.

The bill was read for the first time.

Waltman moved that S. F. No. 2246 and H. F. No. 2572, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2422, A bill for an act relating to burial grounds; modifying provisions for enforcement of certain civil actions; amending Minnesota Statutes 1993 Supplement, section 307.082.

The bill was read for the first time.

Brown, C., moved that S. F. No. 2422 and H. F. No. 2677, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2431, A bill for an act relating to the county attorney; modifying administrative subpoena requirements; amending Minnesota Statutes 1993 Supplement, section 388.23, subdivision 1.

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

S. F. No. 1616, A bill for an act relating to environmental law; establishing a private cause of action for abandonment of hazardous waste; proposing coding for new law in Minnesota Statutes, chapter 116.

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

S. F. No. 1764, A bill for an act relating to data privacy; allowing probation and parole agencies and child support enforcement agencies access to vehicle registration and certain identification information; amending Minnesota Statutes 1992, section 171.12, subdivision 7; Minnesota Statutes 1993 Supplement, section 168.346.

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

S. F. No. 1918, A bill for an act relating to crime; making it murder in the first degree to cause the death of a local correctional guard; amending Minnesota Statutes 1992, section 609.185.

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

S. F. No. 1930, A bill for an act relating to human services; mental health grants; rules concerning psychopathic personalities; treatment for alcohol, drug abuse, and chemical dependency; stepparent income standards under aid to families with dependent children; child support incentives; medical assistance for needy persons; state and county social service plans; organ and tissue transplants; family preservation; commissioner's reports; group residential housing payments and agreements; and paternity proceedings; amending Minnesota Statutes 1992, sections 245.696, subdivision 2; 254A.02, subdivision 11; 254B.04, subdivision 1; 254B.05, subdivision 1; 256.74, subdivision 1a; 256B.69, subdivision 4; 256E.04; 256E.09, subdivision 3; 256H.24; and 257.60; Minnesota Statutes 1993 Supplement, sections 246B.04; 256.979, subdivision 8; 256B.0629, subdivisions 3 and 4; 256F.11, subdivision 3; and 256I.04, subdivisions 1a and 2a; repealing Minnesota Statutes 1992, section 254A.16, subdivisions 3 and 4; Laws 1993, chapter 337, section 16.

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

S. F. No. 1959, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Roseau county.

The bill was read for the first time.

Tunheim moved that S. F. No. 1959 and H. F. No. 2244, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2011, A bill for an act relating to elections; providing for simulated elections for minors; proposing coding for new law in Minnesota Statutes, chapter 204B.

The bill was read for the first time.

Jaros moved that S. F. No. 2011 and H. F. No. 3004, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2464, A bill for an act relating to retirement; authorizing the purchase of prior service credit in the public employees retirement association by an employee of the city of Minneapolis.

The bill was read for the first time.

Kahn moved that S. F. No. 2464 and H. F. No. 2737, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2468, A bill for an act relating to beaver control; allowing local road authorities to remove beaver dams and lodges near public roads; proposing coding for new law in Minnesota Statutes, chapter 97B.

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

S. F. No. 2491, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Stearns county.

The bill was read for the first time.

Bertram moved that S. F. No. 2491 and H. F. No. 2728, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2582, A bill for an act relating to insurance; extending to contract for deed vendors the protections contained in the mortgage clause of the standard fire insurance policy; amending Minnesota Statutes 1992, section 65A.01, subdivision 3.

The bill was read for the first time.

Carlson moved that S. F. No. 2582 and H. F. No. 2957, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2598, A bill for an act relating to local government; authorizing the park and recreation board of the city of Minneapolis to transfer conveyed land to the Minnesota department of transportation.

The bill was read for the first time.

Kahn moved that S. F. No. 2598 and H. F. No. 2953, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2710, A bill for an act relating to health; modifying provisions relating to lead abatement; amending Minnesota Statutes 1992, sections 144.871, subdivision 3; and 144.874, subdivision 12, and by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 16B.61, subdivision 3; 144.871, subdivision 2; 144.872, subdivision 2; 144.874, subdivisions 1, 3, 9, and 11a; 144.878, subdivisions 2 and 5; and 326.71, subdivision 4; repealing Minnesota Statutes 1993 Supplement, section 144.877.

The bill was read for the first time.

Clark moved that S. F. No. 2710 and H. F. No. 2916, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2462, A bill for an act relating to state departments and agencies; department of employee relations; providing for implementation of management training programs, authorizing the use of facsimile machines; abolishing the career executive service; amending Minnesota Statutes 1992, sections 13.67; 43A.21, subdivision 3; and 43A.32, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1992, section 43A.21, subdivision 5.

The bill was read for the first time.

Seagren moved that S. F. No. 2462 and H. F. No. 2587, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2503, A bill for an act relating to highways; conforming powers held by counties over county highways to those powers held by counties over county state-aid highways; amending Minnesota Statutes 1992, section 163.11, subdivision 3.

The bill was read for the first time.

Lieder moved that S. F. No. 2503 and H. F. No. 2513, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2579, A bill for an act relating to commerce; restraint of trade; providing a civil remedy for injury to business reputation or dilution of quality of a mark; providing grounds for injunctive relief; proposing coding for new law in Minnesota Statutes, chapter 325D.

The bill was read for the first time.

Asch moved that S. F. No. 2579 and H. F. No. 3146, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2135, A bill for an act relating to community social services; modifying certain provisions regarding county community social service plans; amending Minnesota Statutes 1992, section 256E.09, subdivision 1.

The bill was read for the first time.

Garcia moved that S. F. No. 2135 and H. F. No. 2260, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2255, A bill for an act relating to insurance; requiring the commissioner of commerce to conduct a study of pollution coverage in Minnesota farm liability policies and report to the legislature.

The bill was read for the first time.

Johnson, A., moved that S. F. No. 2255 and H. F. No. 2954, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2345, A bill for an act relating to health; modifying provisions relating to foreign medical school graduates; amending Minnesota Statutes 1993 Supplement, section 147.037, subdivision 1.

The bill was read for the first time.

Olson, K., moved that S. F. No. 2345 and H. F. No. 2391, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1702, A bill for an act relating to commerce; directing the commissioner of commerce to conduct a study of the Minnesota pawnbroker industry.

The bill was read for the first time and referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

S. F. No. 1832, A bill for an act relating to traffic regulations; authorizing immediate towing after 12 hours advance notice of restricted parking in cities under 50,000; amending Minnesota Statutes 1992, section 169.041, subdivision 4.

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

S. F. No. 2262, A bill for an act relating to local government; removing notice requirements for on-site inspections by town boards; amending Minnesota Statutes 1992, section 366.01, subdivision 11.

The bill was read for the first time.

Koppendraye moved that S. F. No. 2262 and H. F. No. 2533, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2572, A bill for an act relating to human services; clarifying the effect of a record of conviction of certain crimes on disqualification in connection with certain human services licenses; strengthening provisions concerning residential treatment programs; modifying certain child abuse reporting requirements; amending Minnesota Statutes 1992, sections 245A.04, subdivision 3a; 245A.12, subdivision 8; 245A.13, subdivisions 1, 3c, and by adding a subdivision; 626.556, subdivisions 3 and 7; Minnesota Statutes 1993 Supplement, sections 245A.04, subdivisions 3 and 3b; 626.556, subdivision 10; and Laws 1993, chapter 171, section 6.

The bill was read for the first time.

Van Engen moved that S. F. No. 2572 and H. F. No. 2776, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2671, A bill for an act relating to Itasca county; permitting the county board to submit a question to nonbinding referendum.

The bill was read for the first time.

Solberg moved that S. F. No. 2671 and H. F. No. 2896, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

CONSENT CALENDAR

H. F. No. 2094 was reported to the House.

Bauerly moved that H. F. No. 2094 be continued on the Consent Calendar. The motion prevailed.

H. F. No. 2508 was reported to the House.

Steensma moved to amend H. F. No. 2508, the first engrossment, as follows:

Page 12, line 31, delete "vehicle in transit" and insert "temporary"

Page 13, line 34, strike "pickup truck" and insert "vehicle"

The motion prevailed and the amendment was adopted.

H. F. No. 2508, A bill for an act relating to motor vehicles; making technical corrections; exempting license plates on state lottery vehicles from registration tax when used for security or criminal investigation purposes; taxing commuter vans as buses for vehicle registration purposes; allowing holder of personalized license plates to have priority for those plates in next registration period as long as holder keeps registration current; providing for temporary 60-day permits while waiting for special ready reserve license plates or special collegiate license plates; requiring vehicle dealers to file information relating to temporary registration permits issued to new purchasers; requiring drive-away in transit license plates and insurance for transporting vehicles; regulating vehicle dealers; requiring that parking certificate for disabled person hang from rearview mirror; specifying parking certificate expiration times for persons with permanent and temporary disabilities; providing for administrative hearings regarding deputy registrars; requiring district court agents to retain filing fee for receiving and forwarding drivers' license applications and fees; requiring secured parties to be notified when a dealer buys a late model or high value salvage vehicle; providing exemption from uniform fire code for dispensing certain flammable liquids; amending Minnesota Statutes 1992, sections 168.011, subdivision 7; 168.012, by adding a subdivision; 168.013, subdivision 1f, and by adding a subdivision; 168.053, subdivision 1; 168.054; 168.09, subdivision 7; 168.092, subdivision 2; 168.12, subdivision 2a; 168.126, subdivision 1; 168.27, subdivisions 1, 12, 13, 15, 16, and 17; 168.33, subdivision 2; 168A.11,

subdivision 2; 168A.153, subdivision 2; 169.345, subdivision 1; and 325F.662, subdivision 3; Minnesota Statutes 1993 Supplement, sections 169.345, subdivision 3; and 171.06, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 299F.

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

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

S. F. No. 2425, A bill for an act relating to occupations and professions; requiring the state fire marshal to conduct a study on fireworks safety and operator qualifications.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Abrams	Clark	Girard	Jennings	Lasley	Morrison	Ostrom
Anderson, R.	Commers	Goodno	Johnson, A.	Leppik	Mosel	Ozment
Asch	Cooper	Greenfield	Johnson, R.	Lieder	Munger	Pauly
Battaglia	Davids	Greiling	Johnson, V.	Limmer	Murphy	Pawlenty
Bauerly	Dawkins	Gruenes	Kahn	Long	Neary	Pelowski
Beard	Dehler	Gutknecht	Kalis	Lourey	Nelson	Perlt
Bergson	Delmont	Hasskamp	Kelley	Luther	Ness	Peterson
Bertram	Dempsey	Hausman	Kelso	Lynch	Olson, E.	Pugh
Bettermann	Dorn	Holsten	Klinzing	Macklin	Olson, K.	Reding
Bishop	Erhardt	Hugoson	Knickerbocker	Mahon	Onnen	Rest
Brown, C.	Evans	Huntley	Knight	Mariani	Opatz	Rhodes
Brown, K.	Finseth	Jacobs	Koppendrayner	McCollum	Orenstein	Rice
Carlson	Frerichs	Jaros	Krinkie	Milbert	Orfield	Rodosovich
Carruthers	Garcia	Jefferson	Krueger	Molnau	Osthoff	Rukavina

Sarna	Smith	Swenson	Van Dellen	Waltman	Wolf
Seagren	Solberg	Tomassoni	Van Engen	Weaver	Worke
Sekhon	Stanius	Tompkins	Vellenga	Wejcman	Workman
Simoneau	Steensma	Trimble	Vickerman	Wenzel	Spk. Anderson, I.
Skoglund	Sviggum	Tunheim	Wagenius	Winter	

Those who voted in the negative were:

Haukoos	Lindner	Olson, M.
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The bill was passed and its title agreed to.

H. F. No. 2856, A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited lands that border public water in Mower county.

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

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 2888 was reported to the House.

Lourey moved to amend H. F. No. 2888 as follows:

Page 3, after line 11, insert:

"Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

The motion prevailed and the amendment was adopted.

H. F. No. 2888, A bill for an act relating to economic development; regulating community action agencies; amending Minnesota Statutes 1992, sections 268.53, subdivision 5; and 466.01, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 87 yeas and 41 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dawkins	Jennings	Lourey	Olson, K.	Rest	Tomassoni
Asch	Delmont	Johnson, A.	Luther	Onnen	Rhodes	Trimble
Battaglia	Dorn	Johnson, R.	Macklin	Opatz	Rice	Tunheim
Bauerly	Evans	Kahn	Mahon	Orenstein	Rodosovich	Vellenga
Beard	Garcia	Kalis	Mariani	Orfield	Rukavina	Wagenius
Bergson	Greenfield	Kelley	McCollum	Osthoff	Sarna	Wejcman
Bertram	Greiling	Kelso	Milbert	Ostrom	Sekhon	Wenzel
Brown, C.	Hasskamp	Klinzing	Mosel	Ozment	Simoneau	Winter
Brown, K.	Hausman	Knickerbocker	Munger	Pelowski	Skoglund	Spk. Anderson, I.
Carlson	Huntley	Krueger	Murphy	Perlt	Smith	
Carruthers	Jacobs	Lasley	Neary	Peterson	Solberg	
Clark	Jaros	Lieder	Nelson	Pugh	Steensma	
Cooper	Jefferson	Long	Olson, E.	Reding	Swenson	

Those who voted in the negative were:

Abrams	Dempsey	Gutknecht	Koppendraye	Morrison	Stanis	Waltman
Bettermann	Erhardt	Haukoos	Krinkie	Ness	Sviggum	Weaver
Bishop	Finseth	Holsten	Limmer	Olson, M.	Tompkins	Wolf
Commers	Frerichs	Hugoson	Lindner	Pauly	Van Dellen	Worke
Davids	Girard	Johnson, V.	Lynch	Pawlenty	Van Engen	Workman
Dehler	Goodno	Knight	Molnau	Seagren	Vickerman	

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

H. F. No. 2936, A bill for an act relating to Ramsey county; providing for funding the maintenance of turnback roads in Ramsey county; amending Minnesota Statutes 1992, section 383A.16, subdivision 2, and by adding subdivisions; repealing Minnesota Statutes 1992, section 383A.16, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Greiling	Kahn	Long	Nelson	Perlt
Anderson, R.	Davids	Gutknecht	Kalis	Lourey	Ness	Peterson
Battaglia	Dawkins	Hasskamp	Kelley	Luther	Olson, E.	Pugh
Bauerly	Dehler	Haukoos	Kelso	Lynch	Olson, K.	Reding
Beard	Delmont	Hausman	Klinzing	Macklin	Olson, M.	Rest
Bergson	Dempsey	Holsten	Knickerbocker	Mahon	Onnen	Rhodes
Bertram	Dorn	Hugoson	Knight	Mariani	Opatz	Rice
Bettermann	Erhardt	Huntley	Koppendraye	McCollum	Orenstein	Rodosovich
Bishop	Evans	Jacobs	Krinkie	Milbert	Orfield	Rukavina
Brown, C.	Finseth	Jaros	Krueger	Molnau	Osthoff	Sarna
Brown, K.	Frerichs	Jefferson	Lasley	Morrison	Ostrom	Seagren
Carlson	Garcia	Jennings	Leppik	Mosel	Ozment	Sekhon
Carruthers	Girard	Johnson, A.	Lieder	Munger	Pauly	Simoneau
Clark	Goodno	Johnson, R.	Limmer	Murphy	Pawlenty	Skoglund
Commers	Greenfield	Johnson, V.	Lindner	Neary	Pelowski	Smith

Solberg	Tomassoni	Van Dellen	Wagenius	Wenzel	Workman
Steensma	Tompkins	Van Engen	Waltman	Winter	Spk. Anderson, I.
Sviggum	Trimble	Vellenga	Weaver	Wolf	
Swenson	Tunheim	Vickerman	Wejzman	Worke	

Those who voted in the negative were:

Asch	Stanius
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The bill was passed and its title agreed to.

H. F. No. 2998, A bill for an act relating to game and fish; allowing use of retractable broadhead arrows in taking big game; amending Minnesota Statutes 1992, section 97B.211, subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Clark	Wejzman
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The bill was passed and its title agreed to.

H. F. No. 3053, A bill for an act relating to unemployment compensation; changing its name; modifying provisions relating to reporting requirements, eligibility conditions, and liability for benefits; amending Minnesota Statutes 1992, sections 268.03; 268.08, subdivision 1; and 268.10, subdivision 1; Minnesota Statutes 1993 Supplement, sections 268.08, subdivision 6; 268.09, subdivision 1; 268.10, subdivision 2; and 268.161, subdivision 9.

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

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

Those who voted in the affirmative were:

Abrams	Battaglia	Bergson	Bishop	Carlson	Commers	Dawkins
Anderson, R.	Bauerly	Bertram	Brown, C.	Carruthers	Cooper	Dehler
Asch	Beard	Bettermann	Brown, K.	Clark	Dauids	Delmont

Dempsey	Holsten	Knight	McCollum	Orfield	Sarna	Van Engen
Dorn	Hugoson	Koppendraye	Milbert	Osthoﬀ	Seagren	Vellenga
Erhardt	Huntley	Krinkie	Molnau	Ostrom	Sekhon	Vickerman
Evans	Jacobs	Krueger	Morrison	Ozment	Simoneau	Wagenius
Finseth	Jaros	Lasley	Mosel	Pauly	Skoglund	Waltman
Frerichs	Jefferson	Leppik	Munger	Pawlenty	Smith	Weaver
Garcia	Jennings	Lieder	Murphy	Pelowski	Solberg	Wejcmán
Girard	Johnson, A.	Limmer	Neary	Perlt	Stanis	Wenzel
Goodno	Johnson, R.	Lindner	Nelson	Peterson	Steensma	Winter
Greenfield	Johnson, V.	Long	Ness	Pugh	Sviggum	Wolf
Greiling	Kahn	Lourey	Olson, E.	Reding	Swenson	Worke
Gruenes	Kalis	Luther	Olson, K.	Rest	Tomassoni	Workman
Gutknecht	Kelley	Lynch	Olson, M.	Rhodes	Tompkins	Spk. Anderson, I.
Hasskamp	Kelso	Macklin	Onnen	Rice	Trimble	
Haukoos	Klinzing	Mahon	Opatz	Rodosovich	Tunheim	
Hausman	Knickerbocker	Mariani	Orenstein	Rukavina	Van Dellen	

The bill was passed and its title agreed to.

The Speaker called Haukoos to the Chair.

H. F. No. 3110 was reported to the House.

Solberg moved that H. F. No. 3110 be stricken from the Consent Calendar and be placed on General Orders. The motion prevailed.

H. F. No. 2148, A bill for an act relating to human services; providing monitoring and evaluation of emergency health services on a pilot project basis; authorizing an advisory committee.

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 111 yeas and 19 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Delmont	Jaros	Leppik	Murphy	Perlt	Steensma
Asch	Dempsey	Jefferson	Lieder	Neary	Peterson	Swenson
Battaglia	Dorn	Jennings	Limmer	Nelson	Pugh	Tomassoni
Bauerly	Erhardt	Johnson, A.	Long	Ness	Reding	Tompkins
Beard	Evans	Johnson, R.	Lourey	Olson, E.	Rest	Trimble
Bergson	Finseth	Johnson, V.	Luther	Olson, K.	Rhodes	Tunheim
Bertram	Garcia	Kahn	Lynch	Olson, M.	Rice	Vellenga
Bishop	Goodno	Kalis	Macklin	Onnen	Rodosovich	Vickerman
Brown, C.	Greenfield	Kelley	Mahon	Opatz	Rukavina	Wagenius
Brown, K.	Greiling	Kelso	Mariani	Orenstein	Sarna	Weaver
Carlson	Gruenes	Klinzing	McCollum	Orfield	Seagren	Wejcmán
Carruthers	Hasskamp	Knickerbocker	Milbert	Osthoﬀ	Sekhon	Wenzel
Clark	Haukoos	Knight	Molnau	Ostrom	Simoneau	Winter
Cooper	Hausman	Koppendraye	Morrison	Ozment	Skoglund	Wolf
Dawkins	Huntley	Krueger	Mosel	Pauly	Smith	Spk. Anderson, I.
Dehler	Jacobs	Lasley	Munger	Pelowski	Solberg	

Those who voted in the negative were:

Abrams	Dauids	Gutknecht	Krinkie	Stanis	Van Engen	Workman
Bettermann	Frerichs	Holsten	Lindner	Sviggum	Waltman	
Commers	Girard	Hugoson	Pawlenty	Van Dellen	Worke	

The bill was passed and its title agreed to.

H. F. No. 2226, A bill for an act relating to state government; permitting employees of Minnesota Project Innovation, Inc. to participate in certain state employee benefit programs; amending Minnesota Statutes 1992, section 116O.04, subdivision 2.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 2251, A bill for an act relating to drivers' licenses; allowing social security number to be entered at the option of an applicant for a Class C driver's license; amending Minnesota Statutes 1992, section 171.06, subdivision 3.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Long

The bill was passed and its title agreed to.

H. F. No. 2299, A bill for an act relating to retirement; the Duluth joint police and firefighters consolidation account; clarifying certain language relating to calculation of pension benefits contained in the bylaws of the Duluth firefighters relief association; amending Minnesota Statutes 1993 Supplement, section 353B.02, subdivision 10.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 2411, A bill for an act relating to retirement; providing for coverage of employees of lessee of Itasca Medical Center facilities by the public employees retirement association.

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

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Abrams	Carlson	Erhardt	Haukoos	Johnson, V.	Lieder	Milbert
Anderson, R.	Carruthers	Evans	Hausman	Kahn	Limmer	Molnau
Battaglia	Clark	Finseth	Holsten	Kalis	Lindner	Morrison
Bauerly	Commers	Garcia	Hugoson	Kelley	Long	Mosel
Beard	Cooper	Girard	Huntley	Kelso	Lourey	Munger
Bergson	Davids	Goodno	Jacobs	Klinzing	Luther	Murphy
Bertram	Dawkins	Greenfield	Jaros	Knickerbocker	Lynch	Neary
Bettermann	Dehler	Greiling	Jefferson	Koppendraye	Macklin	Nelson
Bishop	Delmont	Gruenes	Jennings	Krueger	Mahon	Ness
Brown, C.	Dempsey	Gutknecht	Johnson, A.	Lasley	Mariani	Olson, E.
Brown, K.	Dorn	Hasskamp	Johnson, R.	Leppik	McCollum	Olson, K.

Olson, M.	Ozment	Rest	Sekhon	Sviggum	Van Engen	Wenzel
Onnen	Pauly	Rhodes	Simoneau	Swenson	Vellenga	Winter
Opatz	Pelowski	Rice	Skoglund	Tomassoni	Vickerman	Wolf
Orenstein	Perlt	Rodosovich	Smith	Tompkins	Wagenius	Worke
Orfield	Peterson	Rukavina	Solberg	Trimble	Waltman	Workman
Osthoff	Pugh	Sarna	Stanis	Tunheim	Weaver	Spk. Anderson, I.
Ostrom	Reding	Seagren	Steensma	Van Dellen	Wejcman	

Those who voted in the negative were:

Asch	Frerichs	Knight	Krinkie	Pawlenty
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The bill was passed and its title agreed to.

H. F. No. 2420, A bill for an act relating to retirement; providing for terms on which surviving spouse benefits are granted to members of the Minneapolis fire department relief association; amending Minnesota Statutes 1992, section 353B.11, subdivision 1; and Laws 1965, chapter 519, section 1, as amended.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

H. F. No. 2551, A bill for an act relating to retirement; enabling certain retired members of the public employees retirement association to rescind a selection of a joint and survivor annuity and to receive a normal retirement annuity.

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 117 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Abrams	Battaglia	Bergson	Brown, C.	Carruthers	Cooper	Dehler
Anderson, R.	Bauerly	Bertram	Brown, K.	Clark	Dauids	Delmont
Asch	Beard	Bishop	Carlson	Commers	Dawkins	Dempsey

Dorn	Holsten	Klinzing	Molnau	Osthoff	Rukavina	Trimble
Erhardt	Hugoson	Knickerbocker	Morrison	Ostrom	Sarna	Tunheim
Evans	Huntley	Knight	Mosel	Ozment	Seagren	Van Dellen
Finseth	Jacobs	Krueger	Munger	Pauly	Sekhon	Vellenga
Garcia	Jaros	Lasley	Murphy	Pawlenty	Simoneau	Vickerman
Girard	Jefferson	Leppik	Neary	Pelowski	Skoglund	Wagenius
Goodno	Jennings	Lieder	Nelson	Perlt	Smith	Waltman
Greenfield	Johnson, A.	Long	Ness	Peterson	Solberg	Weaver
Greiling	Johnson, R.	Lourey	Olson, E.	Pugh	Stanius	Wejzman
Gruenes	Johnson, V.	Luther	Olson, K.	Reding	Steensma	Wenzel
Gutknecht	Kahn	Macklin	Onnen	Rest	Sviggum	Winter
Hasskamp	Kalis	Mahon	Opatz	Rhodes	Swenson	Spk. Anderson, I.
Haukoos	Kelley	McCollum	Orenstein	Rice	Tomassoni	
Hausman	Kelso	Milbert	Orfield	Rodosovich	Tompkins	

Those who voted in the negative were:

Bettermann	Koppendraye	Limmer	Lynch	Van Engen	Worke
Frerichs	Krinkie	Lindner	Olson, M.	Wolf	Workman

The bill was passed and its title agreed to.

H. F. No. 2657, A bill for an act relating to state parks; allowing handicapped persons to receive a special permit; amending Minnesota Statutes 1992, section 85.053, subdivision 7.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 2670, A bill for an act relating to retirement; adding Hennepin county paramedics and emergency medical technicians to membership in the public employees police and fire fund; amending Minnesota Statutes 1992, section 353.64, by adding a subdivision.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 2839, A bill for an act relating to retirement; South St. Paul police relief association; clarifying probationary employment for purposes of relief association service credit for certain members.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 3091 was reported to the House.

Milbert and Skoglund moved to amend H. F. No. 3091, the first engrossment, as follows:

Page 14, after line 29, insert:

"Sec. 26. Minnesota Statutes 1992, section 171.22, subdivision 2, is amended to read:

Subd. 2. [PENALTIES.] Any person who violates subdivision 1, clause (7) or (8) ~~or (9)~~, is guilty of a gross misdemeanor. Any person who violates any other provision of subdivision 1 is guilty of a misdemeanor."

Renumber the sections in sequence and correct internal references

Page 2, after line 31, of the memorandum of explanation (5222MEM-1), insert:

"Sec. 26. Explanation. The proposed amendment corrects a reference."

Renumber the explanation sections in sequence and correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 3091, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating certain redundant, conflicting, and superseded provisions; making miscellaneous technical corrections to statutes and other laws; amending Minnesota Statutes 1992, sections 17.47, subdivision 3; 41A.05, subdivision 2; 60B.04, subdivision 1; 60B.09, subdivisions 1 and 3; 115.41, subdivisions 1 and 2; 115.42; 115.43, subdivision 2; 115.44, subdivision 2; 115.45, subdivision 1; 115.50; 115.52; 115.53; 120.101, subdivisions 2 and 6; 121.88, subdivision 8; 125.611, subdivision 1; 136.24, subdivision 1; 136.622, subdivision 1; 152.02, subdivisions 9, 12, and 13; 160.265; 169.443, subdivision 8; 171.22, subdivision 2; 214.01, subdivision 3; 214.13, subdivision 1; 237.60, subdivision 2; 256D.06, subdivision 1b; 260.151, subdivision 1; 299C.61, subdivision 4; 309.53, subdivision 2; 326.212; 326.224; 326.461, subdivision 1; 327.32, subdivision 8; 327.33; 327.34, subdivision 1; 331A.06, subdivision 4; 348.13; 352.119, subdivision 1; 386.61, by adding a subdivision; 423B.12; 446A.07, subdivision 6; 449.06; 469.174, subdivision 10; 469.181, subdivision 1; and 471A.11; Minnesota Statutes 1993 Supplement, sections 16B.06, subdivision 2a; 16B.122, subdivision 3; 62A.31, subdivision 1n; 62N.075; 82.195, subdivision 2; 115A.542; 115C.082, subdivision 1; 124.195, subdivision 8; 138.96, subdivision 2; 144.991, subdivisions 3 and 4; 152.11, subdivision 1; 169.121, subdivision 1c; 214.103, subdivision 6; 245A.04, subdivision 3b; 256D.44, subdivision 3; 257.67, subdivision 3; 268.92, subdivision 1; 296.035; 325F.755, subdivision 5; 326.111, subdivision 4; 326.975, subdivision 2; 349.217, subdivision 1; 386.66; 491A.01, subdivision 3; 549.09, subdivision 1; 609.5312, subdivision 3; 609.605, subdivision 1; 609.749, subdivision 5; and Laws 1992, chapter 513, article 4, section 60; repealing Minnesota Statutes 1992, sections 216B.164, subdivision 7; 385.08; and 473.872; Laws 1977, chapter 11, section 8; Laws 1982, chapter 514, sections 18 and 19; Laws 1983, chapter 247, section 130; Laws 1984, chapter 628, article 2, section 4; Laws 1985, First Special Session chapters 9, article 2, sections 81 and 82; 13, section 191; and 14, article 9, section 16; Laws 1987, chapters 197, section 1; 315, section 4, subdivision 2; and 336, section 35; Laws 1988, chapters 441, section 2; 486, sections 15 and 68; 496, section 8; 514, section 5; and 636, section 3; Laws 1989, chapters 89, sections 1 (in part) and 13; 133, section 1; 144, article 2, section 8; 209, article 2, sections 8 and 34; 222, sections 10, 21, 22, and 36; 271, section 32; 282, article 2, sections 144 and 186; 293, section 74; 319, article 13, sections 22 and 55; 329, article 5, section 10; 334, article 2, section 17; 335, article 1, sections 200 and 255; 353, section 10; and 356, section 18; Laws 1990, chapters 426, article 1, sections 5 and 32; 480, articles 5, sections 6 and 9; and 9, section 3; 512, section 12; 562, article 10, section 1; 571, section 39; 574, section 5; and 594, article 3, sections 6 and 7; Laws 1991, chapters 58, sections 1, 2, 3, 4, 5, 6, 7, and 8; 130, section 24; 174, section 8; 199, article 1, section 71; 238, article 1, section 7; 265, article 4, section 19; 292, article 4, section 45; 306, section 26; 336, article 2, section 2; 340, sections 1 and 32; and 345, article 2, section 46; Laws 1992, chapters 432, article 2, section 41; 437, section 1; and 499, article 6, section 15; Laws 1993, chapters 4, section 9; 47, sections 1, 4, 6, and 9; 78, section 3; 101, section 1; 224, article 13, sections 3 and 43; 247, articles 1, section 11; and 2, section 9; 269, section 17; 286, sections 2 and 21; 303, sections 15, 17, and 18; 339, section 12; and 369, sections 38 and 128; Laws 1993, First Special Session chapter 1, article 2, section 6.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 3 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Johnson, V. Stanius Swenson

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

H. F. No. 2512 was reported to the House.

Sarna moved that H. F. No. 2512 be continued on the Consent Calendar. The motion prevailed.

S. F. No. 1826 was reported to the House.

Kelley moved that S. F. No. 1826 be continued on the Consent Calendar. The motion prevailed.

S. F. No. 2199, A bill for an act relating to elections; codifying the congressional district plan adopted by the Minnesota special redistricting panel; proposing coding for new law in Minnesota Statutes, chapter 2; repealing Minnesota Statutes 1992, sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; 2.801; and 2.811.

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

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

Those who voted in the affirmative were:

Abrams	Brown, C.	Delmont	Greenfield	Jacobs	Kelso	Limmer
Anderson, R.	Brown, K.	Dempsey	Greiling	Jaros	Klinzing	Lindner
Asch	Carlson	Dorn	Gruenes	Jefferson	Knickerbocker	Long
Battaglia	Carruthers	Erhardt	Gutknecht	Jennings	Knight	Lourey
Bauerly	Clark	Evans	Hasskamp	Johnson, A.	Koppendrayner	Luther
Beard	Commers	Finseth	Haukoos	Johnson, R.	Krinkie	Lynch
Bergson	Cooper	Frerichs	Hausman	Johnson, V.	Krueger	Macklin
Bertram	Davids	Garcia	Holsten	Kahn	Lasley	Mahon
Bettermann	Dawkins	Girard	Hugoson	Kalis	Leppik	Mariani
Bishop	Dehler	Goodno	Huntley	Kelley	Lieder	McCollum

Milbert	Olson, E.	Ozment	Rhodes	Smith	Tunheim	Wenzel
Molnau	Olson, K.	Pauly	Rice	Solberg	Van Dellen	Winter
Morrison	Olson, M.	Pawlenty	Rodosovich	Stanius	Van Engen	Wolf
Mosel	Onnen	Pelowski	Rukavina	Steensma	Vellenga	Worke
Munger	Opatz	Perlt	Sarna	Sviggum	Vickerman	Workman
Murphy	Orenstein	Peterson	Seagren	Swenson	Wagenius	Spk. Anderson, I.
Neary	Orfield	Pugh	Sekhon	Tomassoni	Waltman	
Nelson	Osthoff	Reding	Simoneau	Tompkins	Weaver	
Ness	Ostrom	Rest	Skoglund	Trimble	Wejzman	

The bill was passed and its title agreed to.

Hausman, Milbert and Jennings were excused for the remainder of today's session.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Solberg requested immediate consideration of S. F. No. 2073 and H. F. No. 2275.

S. F. No. 2073 was reported to the House.

Lasley moved to amend S. F. No. 2073 as follows:

Page 30, after line 6, insert:

"Sec. 19. Minnesota Statutes 1993 Supplement, section 273.13, subdivision 25, is amended to read:

Subd. 25. [CLASS 4.] (a) Class 4a is residential real estate containing four or more units and used or held for use by the owner or by the tenants or lessees of the owner as a residence for rental periods of 30 days or more. Class 4a also includes hospitals licensed under sections 144.50 to 144.56, other than hospitals exempt under section 272.02, and contiguous property used for hospital purposes, without regard to whether the property has been platted or subdivided. Class 4a property has a class rate of 3.5 percent of market value for taxes payable in 1992, and 3.4 percent of market value for taxes payable in 1993 and thereafter.

(b) Class 4b includes:

- (1) residential real estate containing less than four units, other than seasonal residential, and recreational;
- (2) manufactured homes not classified under any other provision;
- (3) a dwelling, garage, and surrounding one acre of property on a nonhomestead farm classified under subdivision 23, paragraph (b).

Class 4b property has a class rate of 2.8 percent of market value for taxes payable in 1992, 2.5 percent of market value for taxes payable in 1993, and 2.3 percent of market value for taxes payable in 1994 and thereafter.

(c) Class 4c property includes:

- (1) a structure that is:
 - (i) situated on real property that is used for housing for the elderly or for low- and moderate-income families as defined in Title II, as amended through December 31, 1990, of the National Housing Act or the Minnesota housing finance agency law of 1971, as amended, or rules promulgated by the agency and financed by a direct federal loan or federally insured loan made pursuant to Title II of the Act; or
 - (ii) situated on real property that is used for housing the elderly or for low- and moderate-income families as defined by the Minnesota housing finance agency law of 1971, as amended, or rules adopted by the agency pursuant thereto and financed by a loan made by the Minnesota housing finance agency pursuant to the provisions of the act.

This clause applies only to property of a nonprofit or limited dividend entity. Property is classified as class 4c under this clause for 15 years from the date of the completion of the original construction or substantial rehabilitation, or for the original term of the loan.

(2) a structure that is:

(i) situated upon real property that is used for housing lower income families or elderly or handicapped persons, as defined in section 8 of the United States Housing Act of 1937, as amended; and

(ii) owned by an entity which has entered into a housing assistance payments contract under section 8 which provides assistance for 100 percent of the dwelling units in the structure, other than dwelling units intended for management or maintenance personnel. Property is classified as class 4c under this clause for the term of the housing assistance payments contract, including all renewals, or for the term of its permanent financing, whichever is shorter; and

(3) a qualified low-income building as defined in section 42(c)(2) of the Internal Revenue Code of 1986, as amended through December 31, 1990, that (i) receives a low-income housing credit under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1990; or (ii) meets the requirements of that section and receives public financing, except financing provided under sections 469.174 to 469.179, which contains terms restricting the rents; or (iii) meets the requirements of section 273.1317. Classification pursuant to this clause is limited to a term of 15 years. The public financing received must be from at least one of the following sources: government issued bonds exempt from taxes under section 103 of the Internal Revenue Code of 1986, as amended through December 31, 1993, the proceeds of which are used for the acquisition or rehabilitation of the building; programs under section 221(d)(3), 202, or 236, of Title II of the National Housing Act; rental housing program funds under Section 8 of the United States Housing Act of 1937 or the market rate family graduated payment mortgage program funds administered by the Minnesota housing finance agency that are used for the acquisition or rehabilitation of the building; public financing provided by a local government used for the acquisition or rehabilitation of the building, including grants or loans from federal community development block grants, HOME block grants, or residential rental bonds issued under chapter 474A; or other rental housing program funds provided by the Minnesota housing finance agency for the acquisition or rehabilitation of the building.

For all properties described in clauses (1), (2), and (3) and in paragraph (d), the market value determined by the assessor must be based on the normal approach to value using normal unrestricted rents unless the owner of the property elects to have the property assessed under Laws 1991, chapter 291, article 1, section 55. If the owner of the property elects to have the market value determined on the basis of the actual restricted rents, as provided in Laws 1991, chapter 291, article 1, section 55, the property will be assessed at the rate provided for class 4a or class 4b property, as appropriate. Properties described in clauses (1)(ii), (3), and (4) may apply to the assessor for valuation under Laws 1991, chapter 291, article 1, section 55. The land on which these structures are situated has the class rate given in paragraph (b) if the structure contains fewer than four units, and the class rate given in paragraph (a) if the structure contains four or more units. This clause applies only to the property of a nonprofit or limited dividend entity.

(4) a parcel of land, not to exceed one acre, and its improvements or a parcel of unimproved land, not to exceed one acre, if it is owned by a neighborhood real estate trust and at least 60 percent of the dwelling units, if any, on all land owned by the trust are leased to or occupied by lower income families or individuals. This clause does not apply to any portion of the land or improvements used for nonresidential purposes. For purposes of this clause, a lower income family is a family with an income that does not exceed 65 percent of the median family income for the area, and a lower income individual is an individual whose income does not exceed 65 percent of the median individual income for the area, as determined by the United States Secretary of Housing and Urban Development. For purposes of this clause, "neighborhood real estate trust" means an entity which is certified by the governing body of the municipality in which it is located to have the following characteristics:

(a) it is a nonprofit corporation organized under chapter 317A;

(b) it has as its principal purpose providing housing for lower income families in a specific geographic community designated in its articles or bylaws;

(c) it limits membership with voting rights to residents of the designated community; and

(d) it has a board of directors consisting of at least seven directors, 60 percent of whom are members with voting rights and, to the extent feasible, 25 percent of whom are elected by resident members of buildings owned by the trust; and

(5) except as provided in subdivision 22, paragraph (c), real property devoted to temporary and seasonal residential occupancy for recreation purposes, including real property devoted to temporary and seasonal residential occupancy for recreation purposes and not devoted to commercial purposes for more than 250 days in the year preceding the year of assessment. For purposes of this clause, property is devoted to a commercial purpose on a specific day if any portion of the property is used for residential occupancy, and a fee is charged for residential occupancy. Class 4c also includes commercial use real property used exclusively for recreational purposes in conjunction with class 4c property devoted to temporary and seasonal residential occupancy for recreational purposes, up to a total of two acres, provided the property is not devoted to commercial recreational use for more than 250 days in the year preceding the year of assessment and is located within two miles of the class 4c property with which it is used. Class 4c property classified in this clause also includes the remainder of class 1c resorts. Owners of real property devoted to temporary and seasonal residential occupancy for recreation purposes and all or a portion of which was devoted to commercial purposes for not more than 250 days in the year preceding the year of assessment desiring classification as class 1c or 4c, must submit a declaration to the assessor designating the cabins or units occupied for 250 days or less in the year preceding the year of assessment by January 15 of the assessment year. Those cabins or units and a proportionate share of the land on which they are located will be designated class 1c or 4c as otherwise provided. The remainder of the cabins or units and a proportionate share of the land on which they are located will be designated as class 3a. The first \$100,000 of the market value of the remainder of the cabins or units and a proportionate share of the land on which they are located shall have a class rate of three percent. The owner of property desiring designation as class 1c or 4c property must provide guest registers or other records demonstrating that the units for which class 1c or 4c designation is sought were not occupied for more than 250 days in the year preceding the assessment if so requested. The portion of a property operated as a (1) restaurant, (2) bar, (3) gift shop, and (4) other nonresidential facility operated on a commercial basis not directly related to temporary and seasonal residential occupancy for recreation purposes shall not qualify for class 1c or 4c;

(6) real property up to a maximum of one acre of land owned by a nonprofit community service oriented organization; provided that the property is not used for a revenue-producing activity for more than six days in the calendar year preceding the year of assessment and the property is not used for residential purposes on either a temporary or permanent basis. For purposes of this clause, a "nonprofit community service oriented organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, fraternal, civic, or educational purposes, and which is exempt from federal income taxation pursuant to section 501(c)(3), (10), or (19) of the Internal Revenue Code of 1986, as amended through December 31, 1990. For purposes of this clause, "revenue-producing activities" shall include but not be limited to property or that portion of the property that is used as an on-sale intoxicating liquor or 3.2 percent malt liquor establishment licensed under chapter 340A, a restaurant open to the public, bowling alley, a retail store, gambling conducted by organizations licensed under chapter 349, an insurance business, or office or other space leased or rented to a lessee who conducts a for-profit enterprise on the premises. Any portion of the property which is used for revenue-producing activities for more than six days in the calendar year preceding the year of assessment shall be assessed as class 3a. The use of the property for social events open exclusively to members and their guests for periods of less than 24 hours, when an admission is not charged nor any revenues are received by the organization shall not be considered a revenue-producing activity;

(7) post-secondary student housing of not more than one acre of land that is owned by a nonprofit corporation organized under chapter 317A and is used exclusively by a student cooperative, sorority, or fraternity for on-campus housing or housing located within two miles of the border of a college campus; and

(8) manufactured home parks as defined in section 327.14, subdivision 3.

Class 4c property has a class rate of 2.3 percent of market value, except that (i) each parcel of seasonal residential recreational property not used for commercial purposes under clause (5) has a class rate of 2.2 percent of market value for taxes payable in 1992, and for taxes payable in 1993 and thereafter, the first \$72,000 of market value on each parcel has a class rate of two percent and the market value of each parcel that exceeds \$72,000 has a class rate of 2.5 percent, and (ii) manufactured home parks assessed under clause (8) have a class rate of two percent for taxes payable in 1993, 1994, and 1995 only.

(d) Class 4d property includes:

(1) a structure that is:

(i) situated on real property that is used for housing for the elderly or for low and moderate income families as defined by the Farmers Home Administration;

(ii) located in a municipality of less than 10,000 population; and

(iii) financed by a direct loan or insured loan from the Farmers Home Administration. Property is classified under this clause for 15 years from the date of the completion of the original construction or for the original term of the loan.

The class rates in paragraph (c), clauses (1), (2), and (3) and this clause apply to the properties described in them, only in proportion to occupancy of the structure by elderly or handicapped persons or low and moderate income families as defined in the applicable laws unless construction of the structure had been commenced prior to January 1, 1984; or the project had been approved by the governing body of the municipality in which it is located prior to June 30, 1983; or financing of the project had been approved by a federal or state agency prior to June 30, 1983. For those properties, 4c or 4d classification is available only for those units meeting the requirements of section 273.1318.

Classification under this clause is only available to property of a nonprofit or limited dividend entity.

In the case of a structure financed or refinanced under any federal or state mortgage insurance or direct loan program exclusively for housing for the elderly or for housing for the handicapped, a unit shall be considered occupied so long as it is actually occupied by an elderly or handicapped person or, if vacant, is held for rental to an elderly or handicapped person.

(2) For taxes payable in 1992, 1993 and 1994, only, buildings and appurtenances, together with the land upon which they are located, leased by the occupant under the community lending model lease-purchase mortgage loan program administered by the Federal National Mortgage Association, provided the occupant's income is no greater than 60 percent of the county or area median income, adjusted for family size and the building consists of existing single family or duplex housing. The lease agreement must provide for a portion of the lease payment to be escrowed as a nonrefundable down payment on the housing. To qualify under this clause, the taxpayer must apply to the county assessor by May 30 of each year. The application must be accompanied by an affidavit or other proof required by the assessor to determine qualification under this clause.

(3) Qualifying buildings and appurtenances, together with the land upon which they are located, leased for a period of up to five years by the occupant under a lease-purchase program administered by the Minnesota housing finance agency or a housing and redevelopment authority authorized under sections 469.001 to 469.047, provided the occupant's income is no greater than 80 percent of the county or area median income, adjusted for family size, and the building consists of two or less dwelling units. The lease agreement must provide for a portion of the lease payment to be escrowed as a nonrefundable down payment on the housing. The administering agency shall verify the occupants income eligibility and certify to the county assessor that the occupant meets the income criteria under this paragraph. To qualify under this clause, the taxpayer must apply to the county assessor by May 30 of each year. For purposes of this section, "qualifying buildings and appurtenances" shall be defined as one or two unit residential buildings which are unoccupied and have been abandoned and boarded for at least six months.

Class 4d property has a class rate of two percent of market value except that property classified under clause (3), shall have the same class rate as class 1a property.

(e) Residential rental property that would otherwise be assessed as class 4 property under paragraph (a); paragraph (b), clauses (1) and (3); paragraph (c), clause (1), (2), (3), or (4), is assessed at the class rate applicable to it under Minnesota Statutes 1988, section 273.13, if it is found to be a substandard building under section 273.1316. Residential rental property that would otherwise be assessed as class 4 property under paragraph (d) is assessed at 2.3 percent of market value if it is found to be a substandard building under section 273.1316."

Page 55, delete lines 8 to 36

Page 56, delete lines 1 to 36

Page 57, delete lines 1 to 19

Page 58, delete lines 30 to 36

Page 59, delete lines 1 to 15

Page 74, line 24, after the period, insert "For the taxes payable year 1995, the index for market valuation changes shall be multiplied by an amount equal to the sum of the regional transit board's property tax levy limitation for the

taxes payable year 1994 and \$160,665. The \$160,665 increase shall be a permanent adjustment to the levy limit base used in determining the regional transit board's property tax levy limitation for general purposes for subsequent taxes payable years."

Page 75, after line 25, insert:

"The regional transit board shall annually determine which cities and towns qualify for the 0.510 or 0.765 tax capacity rate reduction and certify this list to the county auditor on or before September 15. No changes shall be made to the list after September 15 of the same levy year."

Page 81, delete lines 1 to 22

Renumber the sections in article 1 in sequence

Page 82, line 32, delete "35, 36, 38, 44, 60, and 69" and insert "36, 37, 39, 42, 58, and 65"

Page 82, line 33, delete "67" and insert "64"

Page 82, line 34, delete "34 and 37" and insert "35 and 38"

Page 83, line 1, delete "22, and 52" and insert "23, and 50"

Page 83, line 3, delete "20, 21, 23, 59, 63, and 64" and insert "21, 22, 24, 57, 61, and 62"

Page 83, line 4, delete "27" and insert "28"

Page 83, line 7, delete "18, 19, 24, 26, 28 to 33, 45 to 51, 53 to 58, and 66" and insert "18 to 20, 25, 27, 29 to 34, 43 to 49, 51 to 56, and 63"

Page 83, line 8, delete "41" and insert "40"

Page 83, line 10, delete everything after the period

Page 83, delete lines 11 to 17

Page 97, delete lines 20 to 36

Page 98, delete lines 1 to 33

Renumber the sections in article 4 in sequence

Further, amend the title as follows:

Page 1, line 5, delete "115A.919,"

Page 1, line 6, delete "subdivision 3; 115A.921, subdivision 1;"

Page 1, line 15, delete "290A.03, subdivision 5; 290A.05;"

Page 1, line 25, after the first semicolon, insert "and"

Page 1, line 25, delete "and 580.23,"

Page 1, line 26, delete "subdivision 3;"

Page 1, line 29, after "1" insert ", 9,"

Page 1 line 29, before "273.1398," and insert "273.13, subdivision 25;"

Page 1, line 32, delete "subdivisions 8 and" and insert "subdivision"

The motion prevailed and the amendment was adopted.

S. F. No. 2073, A bill for an act relating to taxation; making technical corrections and administrative changes; amending Minnesota Statutes 1992, sections 103B.245, subdivision 1; 103D.911, subdivision 2; 103D.915, subdivision 1; 115A.919, subdivision 3; 115A.921, subdivision 1; 115A.923, subdivision 1; 256.879, subdivisions 1 and 2; 270.12, subdivision 2; 272.025, subdivision 3; 273.111, subdivision 6; 273.13, subdivision 22; 273.134; 273.1399, subdivision 3; 275.065, subdivision 1; 278.05, subdivision 5; 279.37, subdivision 8; 282.01, subdivision 1; 282.014; 282.04, subdivision 2; 282.301; 289A.08, subdivision 7; 289A.25, subdivision 5; 290.17, subdivision 2; 290.371, subdivision 2; 290A.03, subdivision 5; 290A.05; 297.01, subdivision 14; 297.11, subdivision 5; 297A.021, subdivision 4; 297B.11; 297C.01, subdivision 5; 357.18, subdivision 2; 398.16; 398A.04, subdivision 8; 447.34, subdivision 2; 462.396, subdivision 2; 469.060, subdivision 6; 469.102, subdivision 5; 469.177, subdivision 9; 473.167, subdivision 3; 473.249, subdivision 1; 473.446, subdivision 1; 473.661, subdivision 2; 473.711, subdivision 2; 477A.011, subdivision 1b; 477A.0121, subdivision 4; 477A.0132, subdivision 3; 477A.014, subdivision 1; 477A.15; and 580.23, subdivision 3; Minnesota Statutes 1993 Supplement, sections 124.2131, subdivision 1; 270.96, subdivision 3; 272.02, subdivision 1; 272.12; 273.11, subdivision 13; 273.124, subdivisions 1 and 13; 273.1398, subdivisions 1 and 3; 273.166, subdivision 3; 275.065, subdivisions 3 and 6; 276.04, subdivision 2; 277.15; 278.04; 278.08; 290A.03, subdivisions 8 and 13; 290.091, subdivision 2; 297A.01, subdivision 3; 297A.07, subdivision 1; 298.28, subdivision 9a; 469.033, subdivision 6; 473.13, subdivision 1; and 477A.013, subdivision 8; Laws 1989, chapter 211, section 4, subdivision 2; Laws 1992, chapter 511, article 4, section 29; Laws 1993, chapter 375, article 2, section 37; proposing coding for new law in Minnesota Statutes, chapters 273 and 275; repealing Minnesota Statutes 1992, sections 16A.70; 16A.71; 115A.923, subdivision 6; and 273.22; Minnesota Statutes 1993 Supplement, section 273.1398, subdivision 2a; Laws 1993, First Special Session chapter 1, article 2, section 6.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

McCollum

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

H. F. No. 2275 was reported to the House.

Rest moved to amend H. F. No. 2275, the first engrossment, as follows:

Page 9, delete lines 4 to 28

Page 15, delete lines 11 to 36

Delete pages 16 and 17

Page 18, delete lines 1 to 11

Page 18, line 17, delete "12, 13, and 16" and insert "11 to 13"

Page 18, line 18, delete ", 11, 14, and 15" and insert "and 10"

Page 18, line 19, delete everything after "enactment" and insert a period

Page 18, delete lines 20 and 21

Page 18, line 22, delete "9" and insert "8"

Page 18, delete line 24

Page 18, line 25, delete "10" and insert "9"

Renumber the sections in article 1 in sequence

Correct internal references

Page 35, line 2, after "decision" insert "of the tax court"

Page 64, line 29, delete "assessed" and restore "collected"

Page 65, line 26, restore "collected"

Page 65, line 27, delete "assessed"

Further, amend the title as follows:

Page 1, line 22, after "subdivision 9;" insert "and"

Page 1, line 23, delete "473.446, subdivision 1; and 477A.0121,"

Page 1, line 24, delete "subdivision 4;"

Page 1, line 27, delete "273.1398,"

Page 1, line 28, delete "subdivision 3;"

The motion prevailed and the amendment was adopted.

H. F. No. 2275, A bill for an act relating to taxes; making tax policy, collections, and administrative changes; amending Minnesota Statutes 1992, sections 168.011, subdivision 8; 168.012, subdivision 9; 239.05, subdivision 10a; 239.761, subdivision 3; 270.052; 270.0605; 270.10, by adding a subdivision; 270.60, subdivisions 1 and 2; 270.69, subdivision 4, and by adding a subdivision; 270.70, subdivision 2; 270.72, subdivision 1; 270B.02, subdivisions 3 and 5; 270B.03, subdivision 1; 270B.12, subdivision 3, and by adding a subdivision; 270B.14, by adding a subdivision; 273.12; 289A.37, subdivision 1; 289A.60, by adding subdivisions; 290.01, subdivision 3a; 290A.08; 290A.18, subdivision 2; 296.01, subdivisions 14, 18, 19, 20, 32, 34, and by adding subdivisions; 296.02, subdivision 1; 296.025, subdivision 1, and by adding a subdivision; 296.06, subdivision 2; 296.12, subdivisions 1, 2, 3, 4, 5, 8, 10, and 11; 296.15, subdivisions 2, 4, 5, and 6; 296.16, subdivision 2; 296.165, subdivision 1; 296.25, subdivision 1, and by adding a subdivision; 297.03, subdivision 7; 297A.25, subdivision 9; and 297C.13, subdivision 1; Minnesota Statutes 1993 Supplement, sections 116.07, subdivision 10; 270.06; 270.41, subdivision 5; 270B.01, subdivision 8; 272.115, subdivision 1; 273.124, subdivision 13; 275.065, subdivision 6; 289A.18, subdivision 4; 289A.20, subdivision 4; 290.01, subdivision 19; 297A.01, subdivision 15; 297A.07, subdivision 1; and 297A.25, subdivision 11; proposing coding for

new law in Minnesota Statutes, chapters 270; 296; 297; 384; and 385; repealing Minnesota Statutes 1992, sections 270.0604, subdivision 6; 272.09; 272.46, subdivision 1; 272.47; 296.03; 296.14; 296.15, subdivision 3; and 297A.07, subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

SPECIAL ORDERS

Carruthers moved that the bills on Special Orders for today be continued. The motion prevailed.

GENERAL ORDERS

Carruthers moved that the bills on General Orders for today be continued. The motion prevailed.

MOTIONS AND RESOLUTIONS

McGuire moved that the names of Vellenga, Simoneau, Greenfield and Stanius be added as authors on H. F. No. 2296. The motion prevailed.

Waltman moved that the name of Olson, M., be added as an author on H. F. No. 2369. The motion prevailed.

Peterson moved that the name of Milbert be added as an author on H. F. No. 2731. The motion prevailed.

Asch moved that the name of Johnson, A., be added as an author on H. F. No. 2775. The motion prevailed.

Milbert moved that the name of Pugh be stricken and the name of Hasskamp be added as an author on H. F. No. 2825. The motion prevailed.

Stanius moved that the name of Holsten be added as an author on H. F. No. 2998. The motion prevailed.

Simoneau moved that the name of Hausman be added as an author on H. F. No. 3188. The motion prevailed.

Simoneau moved that H. F. No. 2192 be recalled from the Committee on Health and Human Services and be referred to the Committee on Judiciary. The motion prevailed.

Jennings moved that H. F. No. 2068 be returned to its author. The motion prevailed.

Dehler moved that H. F. No. 2246 be returned to its author. The motion prevailed.

Carruthers moved that H. F. No. 2978 be returned to its author. The motion prevailed.

Olson, K., introduced:

House Resolution No. 10, A house resolution congratulating Martin County West High School on being named the best school in Minnesota by Redbook Magazine.

The resolution was referred to the Committee on Rules and Legislative Administration.

Olson, K., introduced:

House Resolution No. 11, A house resolution congratulating Dr. Harold C. Stratte on his 100th birthday, April 2, 1994.

The resolution was referred to the Committee on Rules and Legislative Administration.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 760:

Wolf, Jennings and Dorn.

ADJOURNMENT

Carruthers moved that when the House adjourns today it adjourn until 1:30 p.m., Tuesday, April 5, 1994. The motion prevailed.

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 1:30 p.m., Tuesday, April 5, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives