

STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION — 1994

EIGHTY-FOURTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 6, 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 Bill Robertson, First Baptist Church, Jackson, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Girard and Kelso were excused until 3:00 p.m.

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

REPORTS OF CHIEF CLERK

S. F. No. 1774 and H. F. No. 2254, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Ozment moved that the rules be so far suspended that S. F. No. 1774 be substituted for H. F. No. 2254 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1825 and H. F. No. 1861, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Brown, K., moved that S. F. No. 1825 be substituted for H. F. No. 1861 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2267 and H. F. No. 2784, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Milbert moved that the rules be so far suspended that S. F. No. 2267 be substituted for H. F. No. 2784 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2277 and H. F. No. 2638, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Sekhon moved that the rules be so far suspended that S. F. No. 2277 be substituted for H. F. No. 2638 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2672 and H. F. No. 2866, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Sviggum moved that S. F. No. 2672 be substituted for H. F. No. 2866 and that the House File be indefinitely postponed. The motion prevailed.

### REPORTS OF STANDING COMMITTEES

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

H. F. No. 2057, A bill for an act relating to partition fences; requiring the department of natural resources to share in the expense of partition fences; amending Minnesota Statutes 1992, section 344.03, subdivision 1.

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. 2183, A bill for an act relating to transportation; regulating the transportation of hazardous material and hazardous waste; making technical changes; specifying that certain federal regulations do not apply to cargo tanks under 3,000 gallons used in the intrastate transportation of gasoline; establishing a uniform registration and permitting program for transporters of hazardous material and hazardous waste; defining terms; establishing requirements for applications; describing methods for calculating fees; specifying treatment of application data; establishing enforcement authority and administrative penalties; providing for suspension or revocation of registration and permits; providing for base state agreements; preempting and suspending conflicting programs; providing for the deposit and use of fees

and grants; establishing exemptions; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; and 221.033, subdivisions 1 and 2b; Minnesota Statutes 1993 Supplement, section 221.036, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1992, section 221.033, subdivision 4.

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

The report was adopted.

Rest from the Committee on Taxes to which was referred:

H. F. No. 2189, A bill for an act relating to education; prekindergarten through grade 12; providing for general education revenue; transportation; special programs; community education; facilities; organization and cooperation; commitment to excellence; other programs; miscellaneous provisions; libraries; state agencies; school bus safety; conforming amendments; providing for appointments; appropriating money; amending Minnesota Statutes 1992, sections 13.04, by adding a subdivision; 120.101, by adding a subdivision; 120.17, subdivision 1; 121.612, subdivision 7; 121.912, subdivision 5; 121.935, subdivision 6; 122.23, subdivisions 6, 8, 10, 13, and by adding a subdivision; 122.531, subdivision 9; 122.533; 122.91, subdivision 3; 122.937, subdivision 4; 123.35, subdivision 19a, and by adding subdivisions; 123.3514, subdivision 4; 123.39, subdivision 1; 123.58, subdivisions 2 and 4; 124.195, subdivisions 3, 6, 12, and by adding a subdivision; 124.223, subdivision 1; 124.244, subdivision 4; 124.26, subdivision 1b; 124.2601, subdivisions 3, 5, and 7; 124.2711, by adding a subdivision; 124.2713, by adding a subdivision; 124.2721, subdivisions 1 and 5; 124.2725, subdivision 16; 124.278, subdivision 1; 124.6472, subdivision 1; 124.84, by adding a subdivision; 124.85; 124.90, by adding a subdivision; 124.912, by adding a subdivision; 124.95, subdivision 4; 124A.02, by adding subdivisions; 124A.03, subdivision 2a; 124A.22, subdivision 2a; 124A.26, by adding a subdivision; 124C.49; 125.09, subdivision 1; 125.188, subdivision 1; 126.02, subdivision 1; 126.15, subdivision 4; 126.23; 126.69, subdivisions 1 and 3; 126.77, subdivision 1; 126.78; 127.27, subdivision 5; 127.30, by adding a subdivision; 127.31, by adding a subdivision; 127.38; 129C.15, by adding a subdivision; 134.195, subdivision 10; 136D.22, by adding subdivisions; 136D.72, by adding subdivisions; 136D.82, by adding subdivisions; 169.01, subdivision 6; 169.21, subdivision 2; 169.442, subdivision 1; 169.443, subdivision 8, and by adding a subdivision; 169.445, subdivisions 1 and 2; 169.446, subdivision 3; 169.447, subdivision 6; 169.45, subdivision 1; 169.64, subdivision 8; 171.01, subdivision 22; 171.321, subdivision 3; 171.3215; 179A.07, subdivision 6; 260.181, subdivision 2; 272.02, subdivision 8; 354.42, subdivision 5; and 475.61, subdivision 4; 631.40, subdivision 1a; Minnesota Statutes 1993 Supplement, sections 120.062, subdivision 5; 120.064, subdivision 16; 120.17, subdivisions 11b, 12, and 17; 121.11, subdivisions 7c and 7d; 121.702, subdivisions 2 and 9; 121.703; 121.705; 121.706; 121.707; 121.708; 121.709; 121.710; 121.831, subdivision 9; 121.885, subdivisions 1, 2, and 4; 123.3514, subdivisions 6 and 6b; 123.58, subdivisions 6, 7, 8, and 9; 123.951; 124.155, subdivisions 1 and 2; 124.17, subdivisions 1 and 2f; 124.225, subdivisions 1 and 7e; 124.226, subdivisions 3a and 9; 124.2455; 124.26, subdivisions 1c and 2; 124.2711, subdivision 1; 124.2713, subdivision 5; 124.2714; 124.2727, subdivisions 6 and 6a; 124.573, subdivision 2b; 124.6469, subdivision 3; 124.91, subdivisions 3 and 5; 124.914, subdivision 4; 124.95, subdivision 1; 124A.029, subdivision 4; 124A.03, subdivisions 1c, 2, and 3b; 124A.22, subdivisions 5, 6, 8, and 9; 124A.225, subdivisions 1, 3, 4, and 5; 124A.29, subdivision 1; 124A.292, subdivision 3; 125.05, subdivision 1a; 125.138, subdivision 9; 125.185, subdivision 4; 125.230, subdivisions 3, 4, and 6; 125.231, subdivisions 1 and 4; 125.623, subdivision 3; 125.706; 126.239, subdivision 3; 126.70, subdivisions 1 and 2a; 127.46; 171.321, subdivision 2; 275.48; Laws 1992, chapter 499, article 11, section 9; Laws 1993, chapter 224, articles 2, section 15, subdivision 2, as amended; 3, sections 36, subdivision 2; 38, subdivision 22; 5, sections 43; 46, subdivisions 2, 3, and 4; 6, section 30, subdivisions 2 and 6; 7, section 28, subdivisions 3, 4, 9, and 11; 8, sections 20, subdivision 2; 22, subdivisions 6, 7, and 12; 12, sections 39 and 41; and 15, section 2; proposing coding for new law in Minnesota Statutes, chapters 120; 121; 123; 124; 124A; 125; 127; 134; and 169; 473; repealing Minnesota Statutes 1992, sections 14.05, subdivision 1; 121.935, subdivision 7; 122.23, subdivision 13a; 122.91, subdivisions 5 and 7; 122.93, subdivision 7; 122.937; 122.94, subdivisions 2, 3, and 6; 122.945; 136D.22, subdivisions 1 and 3; 136D.71, subdivision 2; 136D.72, subdivisions 1, 2, and 5; 136D.82, subdivisions 1 and 3; 169.441, subdivisions 2 and 3; 169.442, subdivisions 2 and 3; 169.445, subdivision 3; 169.447, subdivision 3; Minnesota Statutes 1993 Supplement, sections 121.935, subdivision 5; 123.80; 124.2727, subdivision 8; 124A.225, subdivision 2; Laws 1992; chapter 499, article 6, section 39, subdivision 3; Law 1993, chapter 224, articles 1, section 37; 8, section 14; Minnesota Rules, parts 3520.3600; 3520.3700; 8700.6410; 8700.9000; 8700.9010; 8700.9020; and 8700.9030.

Reported the same back with the following amendments:

Pages 10 to 12, delete section 12

Page 14, line 20, delete "2000" and insert "1997"

Page 14, line 25, delete "1997" and insert "1995"

Page 15, line 3, delete "1997" and insert "1995" and delete "1998" and insert "1996"

Page 15, line 7, delete "1998" and insert "1996" and delete "1999" and insert "1997"

Page 15, delete lines 10 to 13

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

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

The report was adopted.

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

H. F. No. 2491, A bill for an act relating to employment; providing for enforcement of an employee's right to review personnel records; proposing coding for new law in Minnesota Statutes, chapter 181.

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

The report was adopted.

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

H. F. No. 2636, A bill for an act relating to the jobs and training department; making changes of a technical and housekeeping nature; amending Minnesota Statutes 1992, sections 248.011; 248.07, subdivisions 1, 2, 3, 4, 5, 13, 14a, and 16; 248.11; 268A.09; and 268A.11, subdivisions 1 and 3; Minnesota Statutes 1993 Supplement, sections 248.10; and 268A.02, subdivision 2; repealing Minnesota Statutes 1992, sections 268A.12.

Reported the same back with the following amendments:

Page 5, line 20, after the period, insert "No more than half plus one of the members may be of the same gender."

Page 5, line 28, delete "shall not" and insert "expires June 30, 1997"

Page 5, line 29, delete everything before the period

Page 7, line 3, after the period, insert "No more than half plus one of the members may be of the same gender."

Page 7, line 8, delete everything after "council" and insert "expires June 30, 1997."

• Page 7, delete line 9

Page 12, line 1, after the period, insert "The gender balance requirements of sections 10 and 12 apply only to appointments made after the effective date of those sections, and do not operate to remove current members of the councils before the end of their current terms."

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. 2825, A bill for an act relating to game and fish; authorizing nonresident multiple zone antlerless deer licenses; purchase of archery deer licenses after the firearms season opens; taking big game by handgun in a shotgun deer zone; possession of firearms in muzzle-loader only deer zones; amending Minnesota Statutes 1992, sections 97A.475, subdivision 3; 97A.485, subdivision 9; and 97B.031, subdivision 2; Minnesota Statutes 1993 Supplement, section 97B.041.

Reported the same back with the following amendments:

Page 1, after line 11, insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 18B.32, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) A person may not engage in structural or aquatic pest control applications:

(1) for hire without a structural pest control license or, for an aquatic pest control application, an aquatic pest control license; and

(2) as a sole proprietorship, company, partnership, or corporation unless the person is or employs a licensed master in structural pest control operations or, for an aquatic pest control application, a commercial aquatic applicator.

(b) A structural or aquatic pest control licensee must have a valid license identification card when applying pesticides for hire and must display it upon demand by an authorized representative of the commissioner or a law enforcement officer. The license identification card must contain information required by the commissioner.

(c) Notwithstanding the licensing requirements of this subdivision, a person may control the following nuisance or economically damaging wild animals, by trapping, without a structural pest control license:

(1) fur-bearing animals, as defined in section 97A.015, with a valid trapping license or special permit from the commissioner of natural resources; and

(2) skunks, woodchucks, gophers, porcupines, coyotes, moles, and weasels."

Page 3, after line 10, insert:

"Sec. 6. Minnesota Statutes 1992, section 97B.051, is amended to read:

97B.051 [TRANSPORTATION OF ARCHERY BOWS.]

A person may not transport an archery bow in a motor vehicle unless the bow is:

(1) unstrung;

(2) completely contained in a case; or

(3) in the closed trunk of a motor vehicle.

No rule of the commissioner shall impose additional restrictions or requirements upon transportation or possession of archery bows.

Sec. 7. Minnesota Statutes 1992, section 97B.211, subdivision 2, is amended to read:

Subd. 2. [ARROWHEAD REQUIREMENTS.] Arrowheads used for taking big game must be sharp, have a minimum of two metal cutting edges, be of a barbless broadhead design, and must have a diameter of at least seven-eighths inch. The commissioner may allow retractable broadhead arrowheads, as long as they meet the other requirements of this subdivision.

Sec. 8. Minnesota Statutes 1992, section 97B.301, is amended by adding a subdivision to read:

Subd. 7. [AUTHORIZATION TO TAKE TWO DEER IN CERTAIN COUNTIES.] Notwithstanding subdivisions 2 and 3, a person may obtain one firearms deer license and one archery deer license in the same license year and may take one deer under each license in Kittson, Lake of the Woods, Marshall, and Roseau counties.

Sec. 9. Minnesota Statutes 1992, section 97B.905, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIREMENT.]

(a) A person may not buy or sell raw furs without a fur buying and selling license, except:

(i) a taxidermist licensed under section 97A.475, subdivision 19, and a fur manufacturer are not required to have a license to buy raw furs from a person with fur buying and selling licenses; and

(ii) a person lawfully entitled to take furbearing animals is not required to have a license to sell raw furs to a person with a fur buying and selling license.

(b) An employee, partner, or officer buying or selling only for a raw fur dealer licensee at an established place of business licensed under section 97A.475, subdivision 21, clause (a), may obtain a supplemental license under section 97A.475, subdivision 21, clause (b).

Sec. 10. Minnesota Statutes 1992, section 97B.931, is amended to read:

97B.931 [TENDING TRAPS RESTRICTED.]

A person may not tend a trap set for wild animals between ~~7:00~~ 10:00 p.m. and 5:00 a.m. Between 5:00 a.m. and ~~7:00~~ 10:00 p.m. a person on foot may use a portable artificial light to tend traps. While using a light in the field, the person may not possess or use a firearm other than a handgun of .22 caliber."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "exemptions from pest control licensing; trapping hours; exemptions from fur buying and selling licensure;"

Page 1, line 8, delete "and"

Page 1, line 9, after the semicolon, insert "97B.051; 97B.211, subdivision 2; 97B.301, by adding a subdivision; 97B.905, subdivision 1; and 97B.931;"

Page 1, line 10, delete "section" and insert "sections 18B.32, subdivision 1; and"

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

The report was adopted.

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

H. F. No. 2914, A bill for an act relating to public administration; providing for two women's ice centers; establishing a women's ice centers building account; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [FINDING.]

The legislature finds that there is a shortage of ice time available to the public, and in particular, there is not sufficient time offered to female groups to meet the demand.

Sec. 2. [PLAN DEVELOPMENT; CRITERIA.]

The Minnesota amateur sports commission shall develop a plan to promote the development of proposals for new public ice facilities based on the criteria in this section.

(a) The commission will give priority to proposals that come from more than one local government unit and that involve construction of more than three ice sheets in a single facility.

(b) The Minnesota amateur sports commission shall administer a site selection process for the ice centers. The commission shall invite proposals from cities or counties or consortia of cities. A proposal for an ice center must include matching contributions including in-kind contributions of land, access roadways and access roadway improvements, and necessary utility services, landscaping, and parking.

(c) Proposals must provide for meeting the demand for ice time for female groups by offering up to 50 percent of total ice time as needed to female groups and priority access to prime ice time. For purposes of this section, prime ice time means the hours of 4:00 p.m. to 10:00 p.m. Monday to Friday and 9:00 a.m. to 8:00 p.m. on Saturdays and Sundays.

(d) The location for proposed facilities must be in areas of maximum demonstrated interest and must maximize accessibility to the interstate highway system.

(e) To the extent possible, proposed facilities must be dispersed equitably and must be located to maximize potential for full utilization and profitable operation.

Sec. 3. [AGREEMENTS.]

The Minnesota amateur sports commission may enter into agreements with local units of government and provide financial assistance in the form of grants for the construction of ice arena facilities that in the determination of the commission, conform to its criteria.

Sec. 4. [ICE FACILITIES DEVELOPMENT ACCOUNT.]

The ice facilities development account is established in the general fund to receive money resulting from the tax imposed under Minnesota Statutes, section 297A.01, subdivision 3, paragraph (1). The money in the account must be used only for grants to be made for public ice facilities and for amateur sports commission expenses in developing proposals to build ice facilities according to commission criteria.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective July 1, 1994."

Delete the title and insert:

"A bill for an act relating to ice arena facilities; establishing criteria for the amateur sports commission to use in developing and providing financial assistance to local governmental units for constructing public ice arenas for certain purposes."

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

The report was adopted.

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

H. F. No. 2920, A bill for an act relating to the environment; reestablishing the office of waste management as the office of environmental assistance; transferring environmental assistance programs from the pollution control agency to the office; transferring waste management and policy planning from the metropolitan council to the office; amending Minnesota Statutes 1992, sections 115A.03, by adding a subdivision; 115A.055; 115A.06, subdivision 2; 115A.072; 115A.12; 115A.14, subdivision 4; 115A.15, subdivision 5; 115A.411, subdivision 1; 115A.42; 115A.5501, subdivision 2; 115A.84, subdivision 3; 115A.86, subdivision 2; 115A.912, subdivision 1; 115A.96, subdivision 2; 116F.02, subdivision 2; 473.149, subdivisions 1, 3, 5, and by adding a subdivision; 473.8011; 473.803, subdivisions 2 and 4; and 473.823, subdivision 5; Minnesota Statutes 1993 Supplement, sections 115A.551, subdivision 4; 115A.96, subdivisions 3 and 4; 115A.981, subdivision 3; 473.149, subdivision 6; 473.803, subdivision 3; and 473.846; repealing Minnesota Statutes 1992, sections 115A.81, subdivision 3; 115A.914, subdivision 1; 115A.952; 116F.06, subdivisions 2, 3, 4, and 5; 116F.08; 473.181, subdivision 4; and 473.803, subdivision 1b; Minnesota Statutes 1993 Supplement, section 473.149, subdivision 4.

Reported the same back with the following amendments:

Page 2, lines 4 to 6, delete the new language and insert "The personnel, powers, or duties of the office may not be transferred under section 16B.37."

Page 3, line 35, after "metropolitan" insert "council"

Page 5, line 4, delete "natural resources," and delete the second comma

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. 3041, A bill for an act relating to metropolitan government; providing for the ownership, financing, and use of certain sports facilities; permitting the issuance of bonds and other obligations; appropriating money; amending Minnesota Statutes 1992, sections 473.551; 473.552; 473.556; 473.561; 473.564, subdivision 2; 473.572; 473.581; 473.592; 473.595; and 473.596; proposing coding for new law in Minnesota Statutes, chapters 240A; and 473; repealing Minnesota Statutes 1992, sections 473.564, subdivision 1; and 473.571.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 423A.02, subdivision 1, is amended to read:

Subdivision 1. [AMORTIZATION STATE AID.] (a) A municipality in which is located a local police or salaried firefighters' relief association to which the provisions of section 69.77, apply, that had an unfunded actuarial accrued liability in the most recent relief association actuarial valuation, is entitled, upon application as required by the commissioner of revenue, to receive local police and salaried firefighters' relief association amortization state aid if the municipality and the appropriate relief association both comply with the applicable provisions of sections 69.031, subdivision 5, 69.051, subdivisions 1 and 3, and 69.77. If a municipality loses entitlement for amortization state aid in any year because its local relief association no longer has an unfunded actuarial accrued liability, the municipality is not entitled to amortization state aid in any subsequent year.

(b) The total amount of amortization state aid to all entitled municipalities must not exceed ~~\$5,055,000~~ \$4,305,000, except as provided in paragraph (f).

(c) Subject to the adjustment for the city of Minneapolis provided in this paragraph, the amount of amortization state aid to which a municipality is entitled annually is an amount equal to the level annual dollar amount required to amortize, by December 31, 2010, the unfunded actuarial accrued liability of the special fund of the appropriate relief



association as reported in the December 31, 1978, actuarial valuation of the relief association prepared under sections 356.215 and 356.216, reduced by the dollar amount required to pay the interest on the unfunded actuarial accrued liability of the special fund of the relief association for calendar year 1981 set at the rate specified in Minnesota Statutes 1978, section 356.215, subdivision 4, clause (4). For the city of Minneapolis, the amortization state aid amount thus determined must be reduced by ~~\$747,232~~ \$1,147,232 on account of the Minneapolis police relief association and by ~~\$772,768~~ \$1,122,768 on account of the Minneapolis fire department relief association. If the amortization state aid amounts determined under this paragraph exceed the amount appropriated for this purpose, the amortization state aid for actual allocation must be reduced pro rata.

(d) Payment of amortization state aid to municipalities must be made directly to the municipalities involved in four equal installments on March 15, July 15, September 15 and November 15 annually. Upon receipt of amortization state aid, the municipal treasurer shall transmit the aid amount to the treasurer of the local relief association for immediate deposit in the special fund of the relief association.

(e) The commissioner of revenue shall prescribe and periodically revise the form for and content of the application for the amortization state aid.

(f) If in any year the Minneapolis police relief association does not have excess investment income under sections 423B.01, subdivision 9, and 423B.15, subdivision 3, of at least \$400,000, the amount of amortization aid for the city of Minneapolis for that year must be increased so that the sum of excess investment income and additional amortization aid equals \$400,000. If in any year the Minneapolis fire department relief association does not have excess investment income under Laws 1989, chapter 319, article 19, section 7, subdivisions 1 and 4, as amended, of at least \$350,000, the amount of amortization aid for the city of Minneapolis for that year must be increased so that the sum of excess investment income and additional amortization aid equals \$350,000. The amount necessary to pay these amounts of additional amortization aid is appropriated annually from the general fund to the commissioner of revenue.

Sec. 2. Minnesota Statutes 1992, section 423B.01, subdivision 9, is amended to read:

Subd. 9. [EXCESS INVESTMENT INCOME.] "Excess investment income" means the amount, if any, by which the average time weighted total rate of return earned by the fund in the most recent prior five fiscal year years has exceeded the actual average percentage increase in the current monthly salary of a first grade patrol officer in the most recent prior five fiscal year years plus two percent, and must be expressed as a dollar amount and may not exceed one percent of the total assets of the fund ~~and does not exist unless the yearly average percentage increase of the time weighted total rate of return of the fund for the previous five years exceeds by two percent the yearly average percentage increase in monthly salary of a first grade patrol officer during the previous five calendar years.~~

Sec. 3. Minnesota Statutes 1992, section 423B.15, subdivision 3, is amended to read:

Subd. 3. [AMOUNT OF ANNUAL POSTRETIREMENT PAYMENT.] The amount determined under subdivision 2 must be applied in accordance with this subdivision. The relief association shall apply the first one-half of excess investment income to the payment of an annual postretirement payment as specified in this subdivision. The second one-half of excess investment income must be applied to reduce the state amortization state aid or supplementary amortization state aid payments otherwise due to the relief association under section 423A.02 for the current calendar year. The relief association shall pay an annual postretirement payment to all eligible members in an amount not to exceed one-half of one percent of the assets of the fund. Payment of the annual postretirement payment must be in a lump sum amount on June 1 following the determination date in any year. Payment of the annual postretirement payment may be made only if the average time weighted total rate of return for the most recent prior five fiscal years exceeds by two percent the actual average percentage increase in the current monthly salary of a top grade patrol officer in the most recent prior five fiscal year ~~and the yearly average percentage increase of the time weighted total rate of return of the fund for the previous five years exceeds by two percent the yearly average percentage increase in monthly salary of a top grade patrol officer of the previous five years.~~ The total amount of all payments to members may not exceed the amount determined under this subdivision. Payment to each eligible member must be calculated by dividing the total number of pension units to which eligible members are entitled into the excess investment income available for distribution to members, and then multiplying that result by the number of units to which each eligible member is entitled to determine each eligible member's annual postretirement payment. Payment to each eligible member may not exceed an amount equal to the total monthly benefit that the eligible member was entitled to in the prior year under the terms of the benefit plan of the relief association or each eligible member's proportionate share of the excess investment income, whichever is less.

A person who received a pension or benefit for the entire 12 months before the determination date is eligible for a full annual postretirement payment. A person who received a pension or benefit for less than 12 months before the determination date is eligible for a prorated annual postretirement payment.

Sec. 4. Minnesota Statutes 1992, section 473.551, is amended to read:

473.551 [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of sections 473.551 to ~~473.595~~ 473.599, the following terms shall have the meanings given in this section.

Subd. 2. [CITIES.] "Cities" means the cities of Minneapolis, Bloomington, and Richfield.

Subd. 3. [COMMISSION.] "Commission" means the metropolitan sports facilities commission.

Subd. 4. [METRODOME DEBT SERVICE.] "Metrodome debt service" means the principal and interest due each year on all bonds or revenue anticipation certificates issued by the council under section 473.581 ~~or assumed by the council or for which the council is obligated under section 473.564.~~

Subd. 5. [METROPOLITAN SPORTS AREA.] "Metropolitan sports area" means the real estate in the city of Bloomington described in the ownership and operations agreement, and all buildings, structures, improvements and equipment thereon, ~~now including the met center, owned by the cities on May 17, 1977, the date of enactment of sections 473.551 to 473.595, and since transferred to the commission pursuant to sections 473.551 to 473.595.~~

Subd. 6. [METROPOLITAN SPORTS AREA COMMISSION.] "Metropolitan sports area commission" means that commission established by an ownership and operations agreement made and entered into as of August 13, 1954, validated by Laws 1955, Chapter 445, to which the cities ~~are now parties~~ were parties on May 17, 1977.

Subd. 7. [MULTIPURPOSE SPORTS FACILITY.] "Multipurpose sports facility" means a single unit sports facility suitable for university or major league professional baseball, football, and soccer.

Subd. 8. [SPORTS FACILITY OR SPORTS FACILITIES.] "Sports facility" or "sports facilities" means real or personal property comprising a stadium ~~or~~ or stadiums, or arenas suitable for university or major league professional baseball ~~or~~ or for university or major league professional football and soccer, or for both, or for university or major league hockey or basketball, or for both, together with adjacent parking facilities, including on the effective date of this act, the metrodome, the met center, and, upon acquisition by the commission, the basketball and hockey arena.

Subd. 9. [METRODOME.] "Metrodome" means the Hubert H. Humphrey Metrodome located in the city of Minneapolis constructed and owned by the commission and financed by the bonds of the council issued pursuant to sections 473.551 to 473.595, including all real estate, buildings, improvements, and equipment in and on them.

Subd. 10. [BASKETBALL AND HOCKEY ARENA.] "Basketball and hockey arena" means the indoor arena building currently occupied and utilized for the playing of university or major league basketball, hockey, and other purposes located in the city of Minneapolis, including all improvements and equipment in the arena and the leasehold or other interest in the arena land appurtenant to the arena, but excluding the health club.

Subd. 11. [HEALTH CLUB.] "Health club" means that separate portion of the basketball and hockey arena building occupied and utilized by a private sports and health club on the effective date of this act, the improvements and equipment in and on it, and the leasehold or other interest in the arena land appurtenant to it.

Subd. 12. [MET CENTER.] "Met center" means the real estate in the city of Bloomington presently owned by the commission, formerly utilized for major league hockey, and all buildings, improvements, and equipment in and on it.

Subd. 13. [DEVELOPMENT AGREEMENT.] "Development agreement" means the second amended and restated development agreement among the Minneapolis community development agency, Northwest Racquet, Swim & Health Clubs, Inc., and the city of Minneapolis dated August 5, 1988, and as amended before the effective date of this act.

Subd. 14. [GROUND LEASE.] "Ground lease" means the ground lease of the arena land between the Minneapolis community development agency and Northwest Racquet, Swim & Health Clubs, Inc., dated August 5, 1988, and as amended before the effective date of this act.

Subd. 15. [GUARANTORS.] "Guarantors" means the individuals who have guaranteed to the Minneapolis community development agency and the city of Minneapolis the performance of the development agreement, ground lease, and certain other obligations pursuant to written guaranty dated February 17, 1988.

Subd. 16. [ARENA LAND.] "Arena land" means the real estate upon which the basketball and hockey arena and health club have been constructed and any adjacent parcel or parcels which are owned by the city of Minneapolis and subject to the development agreement or the ground lease and all rights, privileges, and easements appertaining to it.

Subd. 17. [BASKETBALL AND HOCKEY ARENA DEBT SERVICE.] "Basketball and hockey arena debt service" means the principal and interest due each year on all bonds or revenue anticipation certificates issued by the council under section 473.599.

Sec. 5. Minnesota Statutes 1992, section 473.552, is amended to read:

473.552 [LEGISLATIVE POLICY; PURPOSE.]

The legislature finds that

(a) the population in the metropolitan area has a need for sports facilities and that this need cannot be met adequately by the activities of individual municipalities, by agreements among municipalities, or by the private efforts of the people in the metropolitan area,

(b) the commission's ownership and operation of the metrodome and met center has met in part the foregoing need and has promoted the economic and social interests of the metropolitan area, of the state, and of the public, and

(c) the commission's acquisition of the basketball and hockey arena on the terms and conditions provided in sections 473.598 and 473.599 shall similarly and more fully meet the foregoing needs and promote these interests.

It is therefore necessary for the public health, safety and general welfare to establish a procedure for the acquisition and betterment of sports facilities and to create a metropolitan sports facilities commission.

Sec. 6. Minnesota Statutes 1992, section 473.556, is amended to read:

473.556 [POWERS OF COMMISSION.]

Subdivision 1. [GENERAL.] The commission shall have all powers necessary or convenient to discharge the duties imposed by law, including but not limited to those specified in this section.

Subd. 2. [ACTIONS.] The commission may sue and be sued, and shall be a public body within the meaning of chapter 562.

Subd. 3. [ACQUISITION OF PROPERTY.] The commission may acquire by lease, purchase, gift, or devise all necessary right, title, and interest in and to real or personal property deemed necessary to the purposes contemplated by sections 473.551 to 473.595 473.599 within the limits of the metropolitan area.

Subd. 4. [EXEMPTION OF PROPERTY.] Any real or personal property acquired, owned, leased, controlled, used, or occupied by the commission for any of the purposes of sections 473.551 to ~~473.595~~ 473.599 is declared to be acquired, owned, leased, controlled, used and occupied for public, governmental, and municipal purposes, and shall be exempt from ad valorem taxation by the state or any political subdivision of the state, provided that such properties shall be subject to special assessments levied by a political subdivision for a local improvement in amounts proportionate to and not exceeding the special benefit received by the properties from the improvement. No possible use of any such properties in any manner different from their use under sections 473.551 to ~~473.595~~ 473.599 at the time shall be considered in determining the special benefit received by the properties. All assessments shall be subject to final confirmation by the council, whose determination of the benefits shall be conclusive upon the political subdivision levying the assessment. Notwithstanding the provisions of section 272.01, subdivision 2, or 273.19, real or personal property leased by the commission to another person for uses related to the purposes of sections 473.551 to ~~473.595~~ 473.599, including the operation of the metropolitan sports area, ~~but not including property sold or leased for development pursuant to subdivision 6, metrodome, met center, and, if acquired by the commission, the basketball and hockey arena~~ shall be exempt from taxation regardless of the length of the lease. The provisions of this

subdivision, insofar as they require exemption or special treatment, shall not apply to any real property ~~at the metropolitan sports area comprising the met center which is leased by the commission for development pursuant to subdivision 6 residential, business, or commercial development or other purposes different from those contemplated in sections 473.551 to 473.599.~~

Subd. 5. [FACILITY OPERATION.] The commission may equip, improve, operate, manage, maintain, and control ~~the metropolitan sports area metrodome, met center, basketball and hockey arena and sports facilities constructed or, remodeled, or acquired~~ under the provisions of sections 473.551 to ~~473.595~~ 473.599.

Subd. 6. [DISPOSITION OF PROPERTY.] (a) The commission may sell, lease, or otherwise dispose of any real or personal property acquired by it which is no longer required for accomplishment of its purposes. The property shall be sold in ~~the manner accordance with the procedures~~ provided by section 469.065, insofar as practical and consistent with sections 473.551 to ~~473.595~~ 473.599.

(b) ~~Real property at the metropolitan sports area (not including the indoor public assembly facility and adjacent parking facilities) which is no longer needed for sports facilities may be sold or leased for residential, commercial, or industrial development in accordance with the procedures in section 469.065 within two years to a private, for-profit entity, and thereafter the property shall be subject to all applicable taxes and assessments and all government laws, rules and ordinances bearing on use and development as if the property were privately owned.~~

(c) ~~Any real property right, title, or interest within the provisions of paragraph (b) owned by the commission may be sold or leased in whole or in part to the port authority of the city of Bloomington to further the general plan of port improvement or industrial development or for any other purpose which the authority considers to be in the best interests of the district and its people. The property shall be sold or leased to the authority in accordance with section 469.065, subdivisions 1 to 4. Section 469.065, subdivisions 5 to 7, shall not apply to a sale under this paragraph.~~

(d) ~~Real property disposed of under clause (c) shall be subject to leases, agreements, or other written interests in force on June 1, 1983.~~

(e) The proceeds from the sale of any real property at the metropolitan sports area shall be paid to the council and used for debt service or retirement.

Subd. 7. [CONTRACTS.] The commission may contract for materials, supplies, and equipment in accordance with section 471.345, except that the commission may employ persons, firms, or corporations to perform one or more or all of the functions of architect, engineer, construction manager, or contractor for both design and construction, with respect to all or any part of a project to build or remodel sports facilities. Contractors shall be selected through the process of public bidding, provided that it shall be permissible for the commission to narrow the listing of eligible bidders to those which the commission determines to possess sufficient expertise to perform the intended functions. Any construction manager or contractor shall certify, before the contracts are finally signed, a construction price and completion date to the commission and shall post a bond in an amount at least equal to 100 percent of the certified price, to cover any costs which may be incurred over and above the certified price, including but not limited to costs incurred by the commission or loss of revenues resulting from incomplete construction on the completion date. The commission shall secure surety bonds as required in section 574.26, securing payment of just claims in connection with all public work undertaken by it. Persons entitled to the protection of the bonds may enforce them as provided in sections 574.28 to 574.32, and shall not be entitled to a lien on any property of the commission under the provisions of sections 514.01 to 514.16.

Subd. 8. [EMPLOYEES; CONTRACTS FOR SERVICES.] The commission may employ persons and contract for services necessary to carry out its functions. The commission may employ on such terms as it deems advisable persons or firms for the purpose of providing traffic officers to direct traffic on property under the control of the commission and on the city streets in the general area of the property controlled by the commission. The traffic officers shall not be peace officers and shall not have authority to make arrests for violations of traffic rules.

Subd. 9. [GIFTS AND GRANTS.] The commission may accept gifts of money, property, or services, may apply for and accept grants or loans of money or other property from the United States, the state, any subdivision of the state, or any person for any of its purposes, may enter into any agreement required in connection therewith, and may hold, use, and dispose of such money, property, or services in accordance with the terms of the gift, grant, loan or agreement relating thereto. Except for the acquisition, clearance, relocation, and legal costs referred to in section 473.581, subdivision 3, clauses (d) and (e), the commission shall not accept gifts, grants, or loans valued in excess of

\$2,000,000 without the prior approval of the council. In evaluating proposed gifts, grants, loans, and agreements required in connection therewith, the council shall examine the possible short-range and long-range impact on commission revenues and commission operating expenditures.

Subd. 10. [RESEARCH.] The commission may conduct research studies and programs, collect and analyze data, prepare reports, maps, charts, and tables, and conduct all necessary hearings and investigations in connection with its functions.

Subd. 11. [AGREEMENTS WITH UNIVERSITY.] The commission and the board of regents of the University of Minnesota may enter into agreements and do all other acts necessary to further the functions prescribed in sections 473.551 to 473.595 ~~473.599~~.

Subd. 12. [USE AGREEMENTS.] The commission may lease, license, or enter into agreements and may fix, alter, charge, and collect rentals, fees, and charges to all persons for the use, occupation, and availability of part or all of any premises, property, or facilities under its ownership, operation, or control for purposes that will provide athletic, educational, cultural, commercial or other entertainment, instruction, or activity for the citizens of the metropolitan area. Any such use agreement may provide that the other contracting party shall have exclusive use of the premises at the times agreed upon.

Subd. 13. [INSURANCE.] The commission may require any employee to obtain and file with it an individual bond or fidelity insurance policy. It may procure insurance in the amounts it deems necessary against liability of the commission or its officers and employees for personal injury or death and property damage or destruction, with the force and effect stated in chapter 466, and against risks of damage to or destruction of any of its facilities, equipment, or other property.

Subd. 14. [SMALL BUSINESS CONTRACTS.] In exercising its powers to contract for the purchase of services, materials, supplies, and equipment, pursuant to subdivisions 5, 7, 8 and 10, the commission shall designate and set aside each fiscal year for awarding to small businesses approximately ten percent of the value of anticipated contracts and subcontracts of that kind for that year, in the manner required of the commissioner of administration for state procurement contracts pursuant to sections 16B.19 to 16B.22. The commission shall follow the rules promulgated by the commissioner of administration pursuant to section 16B.22, and shall submit reports of the kinds required of the commissioners of administration and economic development by section 16B.21.

Subd. 16. [AGREEMENTS WITH AMATEUR SPORTS COMMISSION.] (a) The commission and the Minnesota amateur sports commission created pursuant to chapter 240A may enter into long-term leases, use or other agreements for the conduct of amateur sports activities at the metro dome or the basketball and hockey arena, and the net revenues from the activities may be pledged, respectively, for metro dome debt service or basketball and hockey arena debt service, as the case may be. The commission, with the advice of the Minnesota amateur sports commission, shall establish standards to provide reasonable assurances to other public bodies owning or operating an entertainment or sports complex or indoor sports arena in the metropolitan area that the agreements between the commission and the Minnesota amateur sports commission with respect to the basketball and hockey arena shall not remove the conduct of amateur sports activities currently and traditionally held at such facilities.

(b) Any long-term lease, use or other agreement entered into by the Minnesota amateur sports commission with the commission under paragraph (a) must also:

(1) provide for a release of the Minnesota amateur sports commission from its commitment under the agreement if the legislature repeals or amends a standing appropriation or otherwise does not appropriate sufficient money to fund the lease or agreement to the Minnesota amateur sports commission; and

(2) provide for a release of the Minnesota amateur sports commission from its commitment under the agreement and permit it to agree to a per event use fee when the bonds issued for the metro dome under section 473.581 have been retired.

(c) No long-term lease, use or other agreement entered into by the Minnesota amateur sports commission under paragraph (a) may commit the amateur sports commission to paying more than \$750,000 per year.

(d) Any long-term lease, use or other agreement entered into under paragraph (a) shall provide that the Minnesota amateur sports commission shall be entitled to use of the basketball and hockey arena or metro dome for a minimum of 50 event days per year. In addition, any long-term lease, use, or other agreement entered into under paragraph (a) shall permit the Minnesota amateur sports commission to allow another person or organization to use one or more of its days.

Subd. 17. [CONDOMINIUMIZATION.] The commission may, by itself or together with the Minneapolis community development agency and any other person, as to any real or personal property comprising or appurtenant or ancillary to the basketball and hockey arena or the arena land and the health club, act as a declarant and establish a condominium or leasehold condominium under chapter 515A or a common interest community or leasehold common interest community under chapter 515B, and may grant, establish, create, or join in other or related easements, agreements and similar benefits and burdens that the commission may deem necessary or appropriate, and exercise any and all rights and privileges and assume obligations under them as a declarant, unit owner or otherwise, insofar as practical and consistent with sections 473.551 to 473.599. The commission may be a member of an association and the chair, any commissioners and any officers and employees of the commission may serve on the board of an association under chapter 515A or 515B.

Sec. 7. Minnesota Statutes 1992, section 473.561, is amended to read:

**473.561 [EXEMPTION FROM COUNCIL REVIEW.]**

The acquisition and betterment of sports facilities by the commission shall be conducted pursuant to sections 473.551 to 473.595 473.599 and shall not be affected by the provisions of sections 473.161, 473.165, and 473.173.

Sec. 8. Minnesota Statutes 1992, section 473.564, subdivision 2, is amended to read:

~~Subd. 2. [ASSUMPTION OF OBLIGATIONS.] Upon transfer of ownership of the metropolitan sports area to the commission, the council shall be and become obligated and shall provide for the payment of the principal and interest thereafter due and payable with respect to the general obligation bonds and revenue bonds issued by the city of Minneapolis under the provisions of the ownership and operations agreement among the cities and amendments thereto. The council shall provide to Minneapolis funds sufficient to meet the payments and to maintain the sinking fund pursuant to the agreement. When the balance in the sinking fund is sufficient to pay all remaining bonds and interest to their maturity dates, or to an earlier date on which they have been called for redemption, the obligation of the council shall be discharged. When the principal and interest on the bonds have been paid in full, any balance remaining in the sinking fund, including interest earnings, shall be remitted to the council and used by the council for debt service. Upon transfer of ownership of the metropolitan sports area to the commission, the commission shall assume all of the cities' obligations and those of the metropolitan sports area commission under the provision of all use agreements now in effect, entered into by the metropolitan sports area commission on behalf of the cities, providing for the use of the metropolitan sports area or any part thereof by any person. The cities and the metropolitan sports area commission shall cause to be executed all assignments and other documents as the commission, upon advice of counsel, shall deem necessary or desirable and appropriate to vest all their rights and privileges under the agreements in the commission. Nothing herein shall be construed as imposing upon the council or commission an obligation to compensate the cities or the metropolitan sports area commission for all or any part of the metropolitan sports area or to continue to operate and maintain the metropolitan sports area facilities taken over by the commission.~~

Sec. 9. Minnesota Statutes 1992, section 473.572, is amended to read:

**473.572 [REVISED FINAL DETERMINATION.]**

~~Subdivision 1. Notwithstanding any final determination reached by the commission on or before December 1, 1978, pursuant to section 473.571, subdivision 6, the commission shall make a revised determination on a sports facility or sports facilities which facility or facilities (1) may be covered, (2) may include use of the existing or a remodeled metropolitan stadium for baseball, and (3) shall be located in Hennepin county. The decision shall be made within 30 days after May 26, 1979. In making its decision the commission may rely on data previously submitted and reviewed pursuant to section 473.571 and need not require new data even if modifications are made in an alternative previously considered. The commission shall give full consideration to the needs of the University of Minnesota when making its revised determination.~~

~~Subd. 2. Except as provided in this section, The council shall make all determinations required by section sections 473.581, subdivision 3, and 473.599 before it authorizes the issuance of bonds.~~

~~Subd. 3. 2. It is the intent of the legislature that the commission shall, to the maximum extent possible consistent with the provisions of section 473.581, subdivision 3, impose rates, rentals and other charges in the operation of the sports facility metrodome which will make the sports facility metrodome self supporting so that the taxes imposed under section 473.592 for the metrodome will be at the lowest possible rate consistent with the obligations of the political subdivision levying those taxes city of Minneapolis as provided in sections 473.551 to 473.595.~~

Sec. 10. Minnesota Statutes 1992, section 473.581, is amended to read:

473.581 [DEBT OBLIGATIONS.]

Subdivision 1. [BONDS.] The council may by resolution authorize the sale and issuance of its bonds for any or all of the following purposes:

(a) To provide funds for the acquisition or betterment of ~~sports facilities~~ the metrodome by the commission pursuant to sections 473.551 to 473.595;

(b) To refund bonds issued hereunder and bonds upon which the council is obligated under section 473.564; and

(c) To fund judgments entered by any court against the commission or against the council in matters relating to the commission's functions related to the metrodome and the met center.

Subd. 2. [PROCEDURE.] The bonds shall be sold, issued, and secured in the manner provided in chapter 475 for bonds payable solely from revenues, except as otherwise provided in sections 473.551 to 473.595, and the council shall have the same powers and duties as a municipality and its governing body in issuing bonds under that chapter. The bonds may be sold at any price and at public or private sale as determined by the council. They shall be payable solely from tax and other revenues referred to in sections 473.551 to 473.595, excepting only the admissions tax and surcharge related to the basketball and hockey arena provided in section 473.595, subdivision 1a, the taxes for the basketball and hockey arena provided in section 473.592, and other revenues attributable to the basketball and hockey arena. The bonds shall not be a general obligation or debt of the council or of the commission, and shall not be included in the net debt of any city, county, or other subdivision of the state for the purpose of any net debt limitation, provided that nothing herein shall affect the obligation of ~~any political subdivision~~ the city of Minneapolis to levy a tax pursuant to ~~an agreement~~ agreements made under the provisions of section 473.592. No election shall be required. The principal amount shall not be limited except as provided in subdivision 3.

Subd. 3. [LIMITATIONS.] The principal amount of the bonds issued pursuant to subdivision 1, clause (a), shall not exceed the amounts hereinafter authorized. If the commission's proposal and the construction contracts referred to in clause (g) of this subdivision provide for the construction of a covered multipurpose sports facility, the total cost of constructing the facility under the construction contracts, not including costs paid from funds provided by others, and the principal amount of bonds issued pursuant to subdivision 1, clause (a), shall be limited to \$55,000,000. If the commission's proposal and the construction contracts do not provide for the construction of a cover on a proposed multipurpose sports facility and the commission does not otherwise contract for the construction or acquisition of a cover for the sports facility, the principal amount shall be limited to \$42,000,000. If the commission's proposal and the construction contracts provide for the construction of a new sports facility for football and soccer and for remodeling the existing metropolitan stadium for baseball, the principal amount shall be limited to \$37,500,000. If the commission's proposal and the construction contracts provide for the reconstruction and remodeling of the existing metropolitan stadium as an uncovered multipurpose sports facility, the principal amount shall be limited to \$25,000,000. The bonds issued pursuant to subdivision 1, clause (a), shall bear an average annual rate of interest, including discount, not in excess of 7-1/2 percent. The proceeds of the bonds issued pursuant to subdivision 1, clause (a), shall be used only for the acquisition and betterment of sports facilities suitable for baseball, football and soccer, with a seating capacity for football and soccer of approximately 65,000 persons. The council shall issue its bonds and construction of sports facilities may commence when the council has made the following determinations:

(a) The commission has executed agreements with major league professional baseball and football organizations to use ~~its sports facilities~~ the metrodome for all scheduled regular season home games and play-off home games and, in the case of the football organization, for at least one-half of its exhibition games played each season. The agreements shall be for a period of not more than 30 years nor less than the term of the longest term bonds that in the council's judgment it may find it necessary to issue to finance the acquisition and betterment of the ~~commission's sports facilities~~ metrodome. The agreements may contain provisions negotiated between the organizations and the commission which provide for termination upon conditions related and limited to the bankruptcy, insolvency, or financial capability of the organization. The agreements shall provide that, in the event of breach of the agreements, the defaulting organization shall pay damages annually to the commission. The annual payment shall be in an amount equal to the annual average of all revenue derived by the commission from attendance at events and activities of the defaulting organization during the years prior to default, provided that the damages shall not exceed in any year an amount sufficient, with other revenues of the commission but excluding proceeds of the taxes under section 473.592, to pay all expenses of operation, maintenance, administration, and debt service for the ~~facilities used~~ use of the metrodome by the defaulting organization during the same year. The damages shall be payable during the period

from the occurrence of the default to the date on which another major league professional baseball or football organization, replacing the defaulting organization, enters into a use agreement with the commission for not less than the then remaining term of the original agreement. The agreements with the teams shall provide that no closed circuit or pay television broadcasting of events in the ~~sports facility~~ metro dome may be allowed without the approval of the commission. The agreements shall include provisions protecting the commission and the council in the event of change in ownership of the professional teams.

(b) The commission has executed agreements with professional baseball and football major leagues which guarantee the continuance of franchises in the metropolitan area for the period of the agreements referred to in clause (a).

(c) The proceeds of bonds provided for in this subdivision will be sufficient, together with other capital funds that may be available to the commission for expenditures on the metro dome, to construct or remodel and to furnish the ~~sports facilities~~ metro dome proposed by the commission, including the appropriate professional fees and charges but excluding, except as otherwise provided in this subdivision, the acquisition, clearance, relocation, and legal costs referred to in clauses (d) and (e).

(d) The commission has acquired, without cost to the commission or the council except as provided in this subdivision, title to all real property including all easements and other appurtenances needed for the construction and operation of ~~any proposed sports facilities~~ the metro dome or has received a grant of funds or has entered into an agreement or agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to make any payment upon which the commission's acquisition of title and possession of the real property is conditioned.

(e) The commission has received a grant of funds or entered into an agreement or agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to pay all costs, except as provided in this subdivision, of clearing the real property needed for the construction and operation of ~~any proposed sports facilities~~ the metro dome of all buildings, railroad tracks and other structures, including without limitation all relocation costs, all utility relocation costs, and all legal costs.

(f) The commission has executed agreements with appropriate labor organizations and construction contractors which provide that no labor strike or management lockout will halt, delay or impede construction.

(g) The commission has executed agreements which will provide for the construction of ~~its sports facilities~~ the metro dome for a certified construction price and completion date and which include performance bonds in an amount at least equal to 100 percent of the certified price to cover any costs which may be incurred over and above the certified price, including but not limited to costs incurred by the commission or loss of revenues resulting from incomplete construction on the completion date.

(h) The environmental impact statement for the ~~sports facility or facilities~~ metro dome has been accepted by the environmental quality board, and the pollution control agency and any other department, agency, or unit of government have taken the actions necessary to permit the construction of the ~~sports facility or facilities~~ metro dome.

(i) At least 50 percent of the private boxes provided for in the commission's proposal for the ~~sports facility or facilities~~ metro dome are sold or leased for at least five years.

(j) The anticipated revenue from the operation of the ~~sports facility or facilities~~ metro dome plus any additional available revenue of the commission and the revenue from the taxes under section 473.592 will be an amount sufficient to pay when due all debt service plus all administration, operating and maintenance expense.

(k) The commission has studied and considered the needs of the University of Minnesota for athletic facilities for a prospective 20 year period.

(l) The ~~municipality where the facility is to be constructed~~ city of Minneapolis has entered into an agreement as contemplated in section 473.592 as security for the metro dome.

(m) The commission has entered into an agreement or agreements with a purchaser or purchasers of tickets of admission for a period of not less than 20 years which will assure that whenever more than 90 and less than 100 percent of the tickets of admission for seats at any professional football game, which were available for purchase by the general public 120 hours or more before the scheduled beginning time of the game either at the ~~sports facility~~ metro dome where the game is to be played or at the box office closest to the ~~sports facility~~ metro dome, have been



purchased 72 hours or more before the beginning time of the game, then all of such tickets which remain unsold will be purchased in sufficient time to permit the telecast to areas within the state which otherwise would not receive the telecast because of the terms of an agreement in which the professional football league has sold or otherwise transferred all or part of the rights of the league's member organizations in the sponsored telecasting of games of the organizations. The party or parties agreeing to the purchase of such unsold tickets shall be obligated for a period of at least 20 years in an amount determined by the council to be sufficient to assure the purchase of all such unsold tickets.

(n) The council has entered into an agreement with the brokerage firm or brokerage firms to be used in connection with the issuance and sale of the bonds guaranteeing that fees and charges payable to the brokerage firm or firms in connection therewith, including any underwriting discounts, shall not exceed fees and charges customarily payable in connection with the issuance and sale of bonds secured by the pledge of the full faith and credit of the ~~municipality in which any new sports facility is to be located~~ city of Minneapolis.

The validity of any bonds issued under subdivision 1, clause (a), and the obligations of the council and commission related thereto, shall not be conditioned upon or impaired by the council's determinations made pursuant to this subdivision. For purposes of issuing the bonds the determinations made by the council shall be deemed conclusive, and the council shall be and remain obligated for the security and payment of the bonds irrespective of determinations which may be erroneous, inaccurate, or otherwise mistaken.

Subd. 4. [SECURITY.] To the extent and in the manner provided in sections 473.592 and 473.595, the taxes described in section 473.592 for the metrodome, the tax and other revenues of the commission described in section 473.595, subdivision 1, and any other revenues of the commission attributable to the metrodome shall be and remain pledged and appropriated for the payment of all necessary and reasonable expenses of the operation, administration, maintenance, and debt service of the ~~commission's sports facilities metrodome~~ metrodome until all bonds referred to in section 473.564, subdivision 2, and all bonds and certificates issued pursuant to this section are fully paid or discharged in accordance with law. ~~The revenue bonds and interest thereon referred to in section 473.564, subdivision 2, may be refunded, whether at a lower or a higher rate of interest, by the issuance of new bonds pursuant to subdivision 1, clause (b), for the purpose of pledging revenues of the metropolitan sports area for the payment and security of bonds issued hereunder, and the council may provide that a portion of the new bonds shall be payable solely from the interest earnings derived from the investment of the bond proceeds. Until these revenue bonds are fully paid or the council's obligation thereon is discharged in accordance with law they shall be deemed a first and prior charge on those revenues and shall be secured by all provisions of the revenue bond resolution and the ownership and operations agreement.~~ Bonds issued pursuant to this section and bonds referred to in section 473.564, subdivision 2, may be secured by a bond resolution, or by a trust indenture entered into by the council with a corporate trustee within or outside the state, which shall define the tax and other metrodome and met center revenues pledged for the payment and security of the bonds. The pledge shall be a valid charge on the tax and other revenues referred to in sections 473.551 to 473.595 (excepting only the admissions tax and surcharge related to the basketball and hockey arena provided in section 473.595, subdivision 1a, taxes described in section 473.592 for the basketball and hockey arena, and other revenues attributable to the basketball and hockey arena) from the date when bonds are first issued or secured under the resolution or indenture and shall secure the payment of principal and interest and redemption premiums when due and the maintenance at all times of a reserve securing such payments. No mortgage of or security interest in any tangible real or personal property shall be granted to the bondholders or the trustee, but they shall have a valid security interest in all tax and other revenues received and accounts receivable by the commission or council hereunder, as against the claims of all other persons in tort, contract, or otherwise, irrespective of whether such parties have notice thereof, and without possession or filing as provided in the uniform commercial code or any other law. In the bond resolution or trust indenture the council may make such covenants, which shall be binding upon the commission, as are determined to be usual and reasonably necessary for the protection of the bondholders. No pledge, mortgage, covenant, or agreement securing bonds may be impaired, revoked, or amended by law or by action of the council, commission, or city, except in accordance with the terms of the resolution or indenture under which the bonds are issued, until the obligations of the council thereunder are fully discharged.

Subd. 5. [REVENUE ANTICIPATION CERTIFICATES.] At any time or times after approval by the council and final adoption by the commission of an annual budget of the commission for operation, administration, and maintenance of ~~its sports facilities~~ the metrodome, and in anticipation of the proceeds from the taxes under section 473.592 for the metrodome and the revenues of the commission provided for in the budget, but subject to any limitation or prohibition in a bond resolution or indenture, the council may authorize the issuance, negotiation, and sale, in such form and manner and upon such terms as it may determine, of revenue anticipation certificates. The principal amount of the certificates outstanding shall at no time exceed 25 percent of the total amount of the tax and other revenues anticipated. The certificates shall mature not later than three months after the close of the budget year.

Prior to the approval and final adoption of the first annual budget of the commission, the council may authorize up to \$300,000 in revenue anticipation certificates under this subdivision. So much of the anticipated tax and other revenues as may be needed for the payment of the certificates and interest thereon shall be paid into a special debt service fund established for the certificates in the council's financial records. If for any reason the anticipated tax and other revenues are insufficient, the certificates and interest shall be paid from the first tax and other revenues received, subject to any limitation or prohibition in a bond resolution or indenture. The proceeds of the certificates may be used for any purpose for which the anticipated revenues or taxes may be used or for any purpose for which bond proceeds under subdivision 1 may be used, provided that the proceeds of certificates issued after May 26, 1979, shall not be used to pay capital costs of sports facilities the metrodom constructed or remodeled pursuant to sections 473.551 to 473.595.

Sec. 11. Minnesota Statutes 1992, section 473.592, is amended to read:

473.592 [TAX REVENUES.]

Subdivision 1. [LOCAL SALES TAX.] ~~Upon designation of a location for a sports facility pursuant to section 473.572, the municipality in which the facility is to be located~~ The city of Minneapolis may enter into an agreement ~~agreements with the metropolitan council and the commission which requires the municipality to impose a sales tax, supplemental to the general sales tax imposed in chapter 297A, for the purposes and in accordance with the requirements specified in sections 473.551 to 473.595~~ 473.599. If the city enters into agreements with the council and the commission, the tax may shall be imposed:

(a) on the gross receipts from all retail on-sales of intoxicating liquor and fermented malt beverages when sold at licensed on-sale liquor establishments and municipal liquor stores located within the municipality, or

(b) notwithstanding any limitations of Laws 1986, chapter 396, section 5, clause (2), on the gross receipts from the furnishing for consideration of lodging for a period of less than 30 days at a hotel, motel, rooming house, tourist court, or trailer camp located within the municipality, or

(c) on both. ~~The agreement between the municipality~~ the gross receipts on all sales of food primarily for consumption on or off the premises by restaurants and places of refreshment as defined by resolution of the city, or

(d) on any one or combination of the foregoing.

The agreement or agreements between the city, the metropolitan council, and the commission shall require the municipality to impose the tax or taxes at whatever rate or rates may be necessary to produce revenues which are determined by the council from year to year to be required, together with the revenues available to the commission, to pay when due all debt service on bonds and revenue anticipation certificates issued under section 473.581, all debt service on bonds referred to in section 473.564, subdivision 2 and revenue anticipation certificates issued under section 473.599, and all expenses of operation, administration, and maintenance of the sports facilities. The agreement shall provide for the suspension, reimposition, reduction, or increase in tax collections upon determination by the metropolitan council that such actions are appropriate or necessary for the purposes for which the tax is imposed, provided metrodom and the basketball and hockey arena and to provide that the balance in each of the metrodom debt service and the basketball and hockey arena debt service fund or funds, including any reserve for debt service, shall be maintained at least at an amount sufficient to pay the principal and interest on bonds which will become due within the next succeeding one year period, and, except as otherwise provided by agreement, shall not be maintained at an amount greater than that required to pay principal and interest on bonds which will become due within the next succeeding two year period. Once the tax collections are imposed by the city, they shall not be suspended. Revenues collected from these taxes in excess of the amount needed for debt services, operation, administration, or maintenance for the metrodom or the basketball or hockey arena must be allocated as follows: (1) one-half of the excess revenues must be used by the city to fund recreational facilities and programs in the city's neighborhoods for children and youth, through the Minneapolis park and recreation board; and (2) one-half of the excess revenues must be transmitted to the state treasury and deposited in the general fund. Funds deposited in the state treasury under clause (2) are appropriated to the amateur sports commission for youth sports programs outside of Minneapolis. The agreement agreements shall be executed by the city, after approval by resolution of the city council and before the issuance of the bonds under section 473.581 and commencement of construction, of the metrodom or the issuance of bonds under section 473.599 and acquisition of the basketball and hockey arena and shall constitute a contract or contracts with and for the security of all holders of the bonds and revenue anticipation certificates secured by the tax. A sports facility The metrodom shall not be constructed or remodeled in a municipality which has not entered into an agreement for the metrodom in accordance with this section. A basketball and hockey arena shall not be acquired

in the city of Minneapolis unless the city has entered into an agreement in accordance with this section as security for bonds issued pursuant to section 473.599 and expenses of operation, administration, and maintenance of the basketball and hockey arena. The tax shall be reported and paid to the commissioner of revenue with and as part of the state sales and use taxes, and shall be subject to the same penalties, interest, and enforcement provisions. The collections of the tax, less refunds and a proportionate share of the costs of collection, shall be remitted at least quarterly to the metropolitan council or the city of Minneapolis. The commissioner of revenue shall deduct from the proceeds remitted to the council or the city an amount that equals the indirect statewide costs as well as the direct and indirect department costs necessary to administer, audit, and collect this tax. The amount deducted shall be deposited in the general fund of the state. The proceeds remitted with respect to the metro dome shall be placed, together with the net revenues of the commission attributable to the metro dome under section 473.595, into the debt service fund or reserve or special funds, established under section 473.581, and any funds established to secure payment of operating deficits of the commission arising from its ownership and operation of the metro dome. The proceeds may be used for payment of debt service on bonds and revenue anticipation certificates issued under section 473.581, ~~debt service on bonds referred to in section 473.564, subdivision 2,~~ and expenses of operation, administration, and maintenance of the ~~sports facilities metro dome.~~ The proceeds shall not be used for any capital costs of ~~sports facilities constructed under sections 473.551 to 473.595~~ the metro dome, except that the proceeds may be used to pay interest on bonds during the construction period.

The proceeds remitted with respect to the basketball and hockey arena shall be placed, together with the net revenues of the commission attributable to the basketball and hockey arena under section 473.595, subdivision 1a, into the debt service fund or reserve or special funds, established under section 473.599, and any funds established to secure payment of operating deficits of the commission arising from its acquisition, ownership, operation, or maintenance of the basketball and hockey arena. The proceeds may be used for payment of debt service on bonds and revenue anticipation certificates issued under section 473.599, and expenses of operation, administration, and maintenance of the basketball and hockey arena.

Subd. 2. [METROPOLITAN LIQUOR TAX.] All proceeds of the liquor tax collected by the council pursuant to the provisions of Minnesota Statutes 1978, section 473.591, prior to August 1, 1979, not otherwise expended or applied as provided in this chapter, together with any earnings derived from the investment of such revenues, may be used for any purpose for which the tax revenues under subdivision 1 may be used.

Sec. 12. Minnesota Statutes 1992, section 473.595, is amended to read:

#### 473.595 [COMMISSION FINANCES.]

Subdivision 1. [METRODOME ADMISSION TAX.] ~~Effective January 1, 1978,~~ The commission shall by resolution impose ~~a three and maintain a ten percent admission tax upon the granting, issuance, sale, or distribution, by any private or public person, association, or corporation, of the privilege of admission to activities, except for those activities sponsored at the indoor public assembly facility at the metropolitan sports area known as the metropolitan sports center. Commencing with the operation of sports facilities constructed or remodeled by the commission pursuant to sections 473.551 to 473.595, the commission shall impose an additional seven percent admission tax upon activities conducted at such sports facilities. Effective January 1, 1978, at the metro dome.~~ No other tax, surcharge, or governmental imposition, except the taxes imposed by chapter 297A, may be levied by any other unit of government upon any such sale or distribution. The admission tax shall be stated and charged separately from the sales price so far as practicable and shall be collected by the grantor, seller, or distributor from the person admitted and shall be a debt from that person to the grantor, issuer, seller, or distributor, and the tax required to be collected shall constitute a debt owed by the grantor, issuer, seller, or distributor to the commission, which shall be recoverable at law in the same manner as other debts. The sales price shall include the price of the ticket and any service or other charge imposed by the grantor, issuer, seller, or distributor upon the reservation, processing, distribution, delivery, or sale of the ticket. Every person granting, issuing, selling, or distributing tickets for such admissions may be required, as provided in resolutions of the commission, to secure a permit, to file returns, to deposit security for the payment of the tax, and to pay such penalties for nonpayment and interest on late payments, as shall be deemed necessary or expedient to assure the prompt and uniform collection of the tax.

Notwithstanding any other provisions of this subdivision, the imposition of an admission tax upon a national superbowl football game conducted at the ~~commission's facilities~~ metro dome is discretionary with the commission.

Subd. 1a. [ARENA ADMISSION TAX.] The commission shall impose a ten percent admission tax on all tickets sold, issued, granted, or distributed for the privilege of admission to the basketball and hockey arena. In addition, the commission shall impose a surcharge in an amount to be determined by the commission, but not less than \$1 per ticket, on all tickets sold, issued, granted, or distributed for the privilege of admission to activities at the basketball

and hockey arena. The sales price shall include the price of the ticket and any service or other charge imposed by the grantor, issuer, seller, or distributor upon the reservation, processing, distribution, delivery, or sale of the ticket. No other tax, surcharge, or governmental imposition, except the taxes imposed by chapter 297A, may be levied by any other unit of government upon such a sale or distribution. The admission tax and surcharge for the privilege of admission to activities at the basketball and hockey arena shall be charged and added to the sales price of the ticket, and imposed and collected in the same manner provided for the metrodome pursuant to subdivision 1. The tax and surcharge provided for in this subdivision shall be effective from and after the date of the commission's acquisition of the basketball and hockey arena.

Subd. 2. [RENTALS; FEES; CHARGES.] Rentals, fees, and charges provided for in use agreements at the metrodome and basketball and hockey arena entered into by the commission shall be those estimated by the commission to be necessary and feasible to produce so far as possible, with commission revenues from other sources, the amounts needed for current operation, maintenance, and debt service. The commission shall with respect to ~~all facilities in the metropolitan sports area and any sports facility constructed pursuant to Laws 1977, chapter 89~~ the met center, the metrodome, and the basketball and hockey arena meet and confer with any public body, authority, or agency owning or operating an entertainment or sports complex, or indoor sports arena, in the metropolitan area in which Laws 1977, chapter 89 is effective, for the purpose of undertaking measures or agreements maximizing revenues and eliminating unnecessary operational expenditures.

Subd. 3. [BUDGET PREPARATION; REVIEW AND APPROVAL.] The commission shall comply with the provisions of section 473.163, provided that the entire budget, including operating revenues and expenditures for operation, administration, and maintenance, shall be subject to approval by the council, in accordance with the procedures described in section 473.163.

Subd. 4. [PAYMENT OF COUNCIL COSTS.] The commission shall comply with the provisions of section 473.164.

Subd. 5. [AUDIT.] The legislative auditor shall make an independent audit of the commission's books and accounts once each year or as often as the legislative auditor's funds and personnel permit. The costs of the audits shall be paid by the commission pursuant to section 3.9741. The council may examine the commission's books and accounts at any time.

Subd. 6. [GENERAL.] The commission shall receive and account for all tax and other revenue of the commission and from the revenue shall provide, contract, and pay for proper operation, administration, and maintenance of all of its property and facilities and shall maintain, as authorized by resolutions of the council, reserves for major repairs, replacements, and improvements and for working capital. The commission shall remit to the council for deposit in its metrodome debt service fund funds, at the times required by resolution of the council, the net revenue attributable to the metrodome in excess of these requirements and for deposit in its basketball and hockey arena debt service fund or funds, at the times required by resolution of the council, the net revenue attributable to the basketball and hockey arena in excess of these requirements.

Subd. 7. [SALE OF SEATS.] The commission may sell seats in any multipurpose sports facility constructed after June 30, 1979 at prices and subject to conditions consistent with this section. Ownership of a seat shall give the owner first preference for purchase of a season ticket of admission for professional sports exhibitions with a right to be seated in the owned seat. An owner may sell or otherwise transfer the rights on whatever terms the owner chooses. Rights to a seat may not be divided. No fee may be charged for a transfer of ownership of a seat. The commission may charge a maintenance fee not exceeding \$10 per year for each seat.

Sec. 13. Minnesota Statutes 1992, section 473.596, is amended to read:

**473.596 [ACCESS STREETS AND HIGHWAYS, HIGHWAY USER TAX DISTRIBUTION FUND.]**

No money derived from the highway user tax distribution fund shall be used to construct, relocate, or improve any streets, highways, or other public thoroughfares, except ones included in the municipal state aid street system established pursuant to article XIV, section 4, of the Minnesota Constitution if such work is done in order to provide or improve access to ~~a new sports facility~~ the metrodome constructed pursuant to sections 473.551 to 473.595. The commissioner of transportation shall determine whether expenditures are in violation of this section.

Sec. 14. [473.598] [ARENA ACQUISITION.]

Subdivision 1. [COMMISSION DETERMINATION.] The commission shall first determine whether to acquire the basketball and hockey arena.

Subd. 2. [COMMISSION PROPOSAL.] (a) If the commission makes a final determination to acquire the basketball and hockey arena, the commission may then submit to the metropolitan council a proposal to bond for and acquire the basketball and hockey arena. The commission's proposal shall contain all information deemed appropriate or necessary by the council. The commission, in preparing the proposal for the council, may require of the professional teams that are potential lessees or other potential lessees and all of their affiliated entities any and all data deemed relevant by the commission to the acquisition, financing, ownership, and operation of the basketball and hockey arena, including, but not limited to, contracts, agreements, profit and loss statements, annual audit statements and balance sheets. The commission and council may keep the data confidential except for members of the commission and the council, their staff members, counsel, accountants, and consultants to the commission and council. In evaluating whether to acquire the basketball and hockey arena, the commission shall consider among other factors, (a) total capital and operating costs of the basketball and hockey arena to the commission and total commission revenues from the basketball and hockey arena over the expected life of the facility, including any contributions by the state, local units of government or other organizations, (b) the total governmental costs associated with the acquisition and operation of the basketball and hockey arena, including the cost to all units and agencies of government as well as the costs to the commission, (c) the net gain or loss of taxes to the state and all local government units, and (d) economic and other benefits accruing to the public.

(b) Before submitting its proposal to the metropolitan council under paragraph (a), the commission shall submit the proposal to the legislative auditor and the department of finance for review, evaluation, and comment. The legislative auditor shall present the evaluation and comments to the legislative audit commission. Both the legislative auditor and the commissioner of finance shall present their evaluation and comments to the chairs of the house taxes, and ways and means committees, to the chair of the state government finance division of the house governmental operations committee, and to the chairs of the senate taxes and finance committees. Any data that the commission and council have agreed to keep confidential under paragraph (a) is nonpublic data or private data on individuals for purposes of chapter 13 when given to the legislative auditor or the department of finance.

Subd. 3. [HOCKEY AGREEMENT.] The commission shall exercise its best efforts, consistent with its other obligations under sections 473.551 to 473.599 to attempt to secure an agreement with a major league professional hockey organization to play its home games at the basketball and hockey arena.

Sec. 15. [473.599] [DEBT OBLIGATIONS.]

Subdivision 1. [REVENUES.] It is the intent of the legislature that the commission shall, to the maximum extent possible consistent with the provisions of this section, impose rates, rentals, and other charges in the operation of the basketball and hockey arena which together with the admissions tax and surcharge provided in section 473.595, subdivision 1a, will make the basketball and hockey arena self-supporting so that the taxes imposed under section 473.592 for the basketball and hockey arena will be at the lowest possible rate consistent with the obligations of the city of Minneapolis as provided in sections 473.551 to 473.599.

Subd. 2. [BONDS.] The council shall by resolution authorize the sale and issuance of its bonds for any of the following purposes upon its determination that the conditions of subdivision 4 have been met:

(a) To provide funds for the acquisition or betterment of the basketball and hockey arena by the commission pursuant to sections 473.598 and 473.599;

(b) To refund bonds issued under this section; and

(c) To fund judgments entered by any court against the commission or against the council in matters relating to the basketball and hockey arena.

Subd. 3. [PROCEDURE.] The bonds shall be sold, issued, and secured in the manner provided in chapter 475 for bonds payable solely from revenues, except as otherwise provided in sections 473.551 to 473.599, and the council shall have the same powers and duties as a municipality and its governing body in issuing bonds under chapter 473. The council may pledge for the payment of the bonds the net revenues of the commission arising from the commission's operation of the basketball and hockey arena, the tax provided by section 473.592 for the basketball and hockey arena, and the admission tax and surcharge authorized in section 473.595, subdivision 1a. The bonds may be sold at any price and at public or private sale as determined by the council. They shall be payable solely from tax and other revenues referred to in sections 473.551 to 473.599, and shall not be a general obligation or debt of the council or of the commission, and shall not be included in the net debt of any city, county, or other subdivision of the state for the purpose of any net debt limitation, but nothing in this section shall affect the obligation of the city of Minneapolis to levy a tax pursuant to an agreement made under the provisions of section 473.592. No election shall be required. The principal amount shall not be limited except as provided in subdivision 4.

Subd. 4. [LIMITATIONS.] The principal amount of the bonds issued pursuant to subdivision 2, clause (a), exclusive of any original issue discount, shall not exceed the total amount of \$42,000,000 plus such amount as the council determines necessary to pay the costs of issuance, fund reserves for operation and debt service, and pay for any bond insurance or other credit enhancement. The bonds may be issued as tax-exempt revenue bonds or as taxable revenue bonds. The proceeds of the bonds issued pursuant to subdivision 2, clause (a), shall be used only for acquisition and betterment of sports facilities suitable for a basketball and hockey arena and the arena land and the related purposes referred to in this subdivision. The council shall issue its bonds pursuant to subdivision 2, clause (a), and the commission may acquire the basketball and hockey arena and the arena land when the council has made the following determinations:

(a) The commission has executed agreements with the current major league professional basketball organization to use the arena for all scheduled regular season home games and play-off home games, and for at least one of its exhibition games played each season. The agreements shall be for a period of 30 years. The agreements may contain provisions negotiated between the organizations and the commission which provide for earlier termination by the commission upon conditions related to and limited to the bankruptcy or insolvency of the organization. The agreements shall provide that, in the event of breach of the agreements, the defaulting organization shall pay damages to the commission. The damages payment shall be in an amount deemed appropriate by the commission but shall not be less than an amount sufficient to make whole the council and the commission for the loss of revenue suffered by the commission by reason of the breach as measured by the annual average of all revenue derived by the commission from attendance at events and activities of the defaulting organization or organizations during the years prior to the breach, extended for the remaining portion of the 30-year term of the agreements or until another major league professional basketball organization enters into a use agreement with the commission for not less than the remaining portion of the 30-year term. Provided, that the damages payment, if determined appropriate by the commission need not exceed an amount, sufficient with other revenues of the commission attributable to the basketball and hockey arena, but excluding proceeds of any taxes imposed under section 473.592, to pay all expenses of operation, maintenance, repair, replacements, and administration of the basketball and hockey arena and all basketball and hockey arena debt service. The damages payment may be payable in a lump sum or in installments as the commission may deem appropriate. The commission may require that the agreements include other terms and conditions to provide reasonable assurances that the current major league professional basketball team or a successor major league professional basketball team will play the required games at the basketball and hockey arena during the 30-year term of the agreements, or, in the event of a breach, to assure the payment of the required damages. The agreements shall include provisions to protect the commission and the council in the event of change of ownership of the professional teams. The agreement with the professional basketball organization shall provide for arrangements which the commission may deem necessary or appropriate to accommodate a future agreement between the commission and a professional hockey organization to occupy the basketball and hockey arena, consistent with this section.

(b) The commission has executed agreements with the professional basketball major league, which guarantee the continuance of the franchise in the basketball and hockey arena for the period of the agreements referred to in clause (a).

(c) The professional basketball team has provided information sufficient to satisfy the council and the commission and the council's independent financial advisor of the team's ability to comply with the terms of the 30-year lease.

(d) The proceeds of bonds provided for in this subdivision will be sufficient for the purposes for which they are issued.

(e) The commission has acquired, or has contracted to acquire, (i) leasehold title to the arena land together with the estate of the tenant and other rights demised under the ground lease, subject to amendment as provided in clause (c), (ii) ownership of all real and personal property comprising the basketball and hockey arena, and (iii) all easements, appurtenances and other rights, title, or interest deemed by the commission necessary or desirable in connection with the acquisition, financing, ownership, and operation of the basketball and hockey arena.

(f) The percentage of the private boxes provided for in the commission's proposal for the basketball and hockey arena are sold or leased for the period that the commission finds advisable.

(g) The anticipated admission taxes and surcharges and other revenue from the operation of the basketball and hockey arena will be sufficient to pay when due all basketball and hockey arena debt service plus all administration, operating and maintenance expense of the arena.

(h) The city of Minneapolis has entered into an agreement as contemplated in clause (n) and an agreement or agreements as contemplated in section 473.592 with respect to the basketball and hockey arena.

(i) The council has entered into an agreement with the brokerage firm or brokerage firms to be used in connection with the issuance and sale of the bonds guaranteeing that fees and charges payable to the brokerage firm or firms in connection with the sale of the bonds are not based primarily on a percentage of the amount of the bonds sold, but rather are fair and reasonable, based on the following factors: (1) the time and labor required; (2) the experience and knowledge of the persons involved; (3) any special complexity and novelty of issues related to sale of the bonds; and (4) the extent of the responsibilities assumed and the results obtained. The fees and charges shall not exceed fees and charges customarily payable in connection with the issuance and sale of bonds secured by the pledge of the full faith and credit of the city of Minneapolis.

The validity of any bonds issued under subdivision 2, clause (a), and the obligations of the council and commissions related to them, shall not be conditioned upon or impaired by the council's determination made pursuant to this subdivision. For purposes of issuing the bonds the determinations made by the commission and council shall be deemed conclusive, and the council shall be and remain obligated for the security and payment of the bonds irrespective of determinations which may be erroneous, inaccurate, or otherwise mistaken.

(j) The commission has entered into arrangements with any other persons to create a condominium or leasehold condominium, or common interest community or leasehold common interest community, with respect to the building containing the basketball and hockey arena, including the arena playing and spectator areas, and all other portions of the building, and together with the arena land and all other related improvements, easements and other appurtenant and ancillary property and property rights. The Minneapolis community development agency in its capacity as ground lease landlord may be a party to the condominium or common interest community declaration. The condominium or common interest community declaration shall establish the portion of the building containing the health club as a separate unit of the condominium or common interest community, and the commission shall have entered into an agreement or agreements with a private sports and health club organization which shall require that the organization shall purchase or retain ownership of the unit with its own funds and at no cost or expense to the commission, and that the organization shall pay for all utility and other operating costs and expenses including allocated common expenses and pay ad valorem property taxes for the unit. The condominium or common interest community declaration may also establish other units in the condominium or common interest community which shall include the arena playing and spectator areas and may also include office space, restaurant space, locker rooms, private spectator suites or boxes, signage, and other areas, and may also establish common elements, limited common elements and other easements and interests as the commission deems necessary or appropriate. The agreement or agreements between the commission and the private sports and health club organization may also address additional matters which may be the subject of the bylaws or other agreements or arrangements among unit owners of condominiums or common interest communities, either as part of, or separately from, the provisions of chapter 515A or 515B, or any other items as may be ordinarily and customarily negotiated between the commission and the organization.

(k) The private sports and health club organization has executed an assessment agreement pursuant to section 469.177, subdivision 8, obligating payment of ad valorem taxes based on a minimum market value of the health club of at least \$10,000,000 with the city of Minneapolis or the Minneapolis community development agency.

(l) The commission has executed an agreement requiring the commission to remit annually to the Minneapolis community development agency or appropriate agency an amount which together with any ad valorem taxes or other amounts received by the city of Minneapolis or the Minneapolis community development agency from the health club as tax increments equals the debt service required by the tax increment district attributable to the basketball and hockey arena until the current outstanding indebtedness or any refunding thereof has been paid or retired.

(m) The development agreement shall be amended:

(i) so that no payments are due to the city of Minneapolis or the Minneapolis community development agency from the commission or any other person with respect to the sale, ownership or operation of the basketball and hockey arena, or from the owners of the health club with respect to the ownership or operation of the health club, except as provided in clauses (k), (l), and (n); and

(ii) to confirm the satisfactory performance of the obligations of the parties to the development agreement on the effective date of the commission's acquisition; provided, that the city of Minneapolis and the Minneapolis community development agency shall not be required to release any claim they may have under the development agreement with respect to the proceeds of the sale of the health club or from the operations or sale of the professional basketball

organization occupying the basketball and hockey arena or the security they may have under the development agreement or the ground lease to assure its performance, pursuant to the guaranty of the guarantors in the event of any default of the commission under the ground lease, or of the owners of the health club with respect to the payment of ad valorem taxes or any payment due from them under the development agreement as amended in accordance with the provisions of this subdivision.

(n) The commission has executed an agreement with the city of Minneapolis providing that for so long as the commission owns the basketball and hockey arena the city shall not impose any entertainment tax or surcharge on tickets purchased for any and all events at the basketball and hockey arena. The agreement may also provide that the commission shall compensate the city for the forbearance of the entertainment tax in effect on the effective date of this act, plus accrued interest, after payment of basketball and hockey arena debt service, the necessary and appropriate funding of debt reserve of the basketball and hockey arena and all expenses of operation, administration, and maintenance, and the funding of a capital reserve for the repair, remodeling and renovation of the basketball and hockey arena. The required funding of the capital reserve shall be in an amount mutually agreed to by the commission and the city.

(o) The ground lease shall be amended by the Minneapolis community development agency to the reasonable satisfaction of the commission to provide:

(i) that the commission's sole financial obligation to the landlord shall be to make the payment provided for in clause (1) from the net revenues of the commission attributable to the operation of the basketball and hockey arena;

(ii) that the term of the lease shall be 99 years;

(iii) that the commission shall have the option to purchase the arena land upon the payment of \$10 at any time during the term of the ground lease, but, unless otherwise agreed to by the Minneapolis community development agency, only after the payment or retirement of the general obligation tax increment bonds previously issued by the city of Minneapolis to assist in financing the acquisition of the arena land; and

(iv) other amendments as the commission deems necessary and reasonable to accomplish its purposes as provided in sections 473.598 and 473.599.

(p) The commission has received a report or reports by qualified consultants on the basketball and hockey arena, the health club and the arena land, based on thorough inspection in accordance with generally accepted professional standards and any correction, repair, or remediation disclosed by the reports has been made to the satisfaction of commission.

Subd. 5. [SECURITY.] To the extent and in the manner provided in sections 473.592 and 473.595, the taxes described in section 473.592 for the basketball and hockey arena, the tax, surcharge and other revenues of the commission described in section 473.595, subdivision 1a, attributable to the basketball and hockey arena and any other revenues of the commission attributable to the basketball and hockey arena shall be and remain pledged and appropriated for the payment of all necessary and reasonable expenses of the operation, administration, maintenance, and debt service of the basketball and hockey arena until all bonds referred to in section 473.599, subdivision 2, are fully paid or discharged in accordance with law. Bonds issued pursuant to this section may be secured by a bond resolution, or by a trust indenture entered into by the council with a corporate trustee within or outside the state, which shall define the tax and other revenues pledged for the payment and security of the bonds. The pledge shall be a valid charge on the tax, surcharge and other revenues attributable to the basketball and hockey arena referred to in sections 473.592, 473.595, subdivision 1a, 473.598, and 473.599 from the date when bonds are first issued or secured under the resolution or indenture and shall secure the payment of principal and interest and redemption premiums when due and the maintenance at all times of a reserve securing the payments. No mortgage of or security interest in any tangible real or personal property shall be granted to the bondholders or the trustee, but they shall have a valid security interest in all tax and other revenues received and accounts receivable by the commission or council under sections 473.592 to the extent of the tax imposed as security for the debt service of the basketball and hockey arena, 473.595, subdivision 1a, 473.598, and 473.599, as against the claims of all other persons in tort, contract, or otherwise, irrespective of whether the parties have notice of them, and without possession or filing as provided in the uniform commercial code or any other law. In the bond resolution or trust indenture the council may make the covenants, which shall be binding upon the commission, as are determined to be usual and reasonably necessary for the protection of the bondholders. No pledge, mortgage, covenant, or agreement securing bonds may be impaired, revoked, or amended by law or by action of the council, commission, or city, except in accordance with the terms of the resolution or indenture under which the bonds are issued, until the obligations of the council under the resolution or indenture are fully discharged.



Subd. 6. [REVENUE ANTICIPATION CERTIFICATES.] At any times after approval by the council and final adoption by the commission of an annual budget of the commission for operation, administration, and maintenance of the basketball and hockey arena, and in anticipation of the proceeds from the taxes under section 473.592 and the revenues of the commission provided for in the budget, but subject to any limitation or prohibition in a bond resolution or indenture, the council may authorize the issuance, negotiation, and sale, in the form and manner and upon the terms that it may determine, of revenue anticipation certificates. The principal amount of the certificates outstanding shall at no time exceed 25 percent of the total amount of the tax and other revenues anticipated. The certificates shall mature not later than three months after the close of the budget year. Prior to the approval and final adoption of the annual budget of the commission, the council may authorize revenue anticipation certificates under this subdivision. So much of the anticipated tax and other revenues as may be needed for the payment of the certificates and interest on them shall be paid into a special debt service fund established for the certificates in the council's financial records. If for any reason the anticipated tax and other revenues are insufficient, the certificates and interest shall be paid from the first tax, surcharge and other revenues received attributable to the basketball and hockey arena, subject to any limitation or prohibition in a bond resolution or indenture. The proceeds of the certificates may be used for any purpose for which the anticipated revenues or taxes may be used or for any purpose for which bond proceeds under subdivision 2 may be used.

Subd. 7. [ARENA FREE OF MORTGAGES, LIENS, AND OBLIGATIONS.] With the exception of the obligations imposed by sections 473.598 and 473.599, the commission shall not assume any notes, pledges, mortgages, liens, encumbrances, contracts, or obligations upon acquisition of the basketball and hockey arena or the arena land, including but not by way of limitation, management or concession agreements. Upon acquisition by the commission, the basketball and hockey arena and the arena land shall be free of all liens and encumbrances, including the foregoing but excluding the easements and rights-of-way that the commission shall determine do not materially impair or affect its ownership and operation of the basketball and hockey arena.

Sec. 16. Laws 1989, chapter 319, article 19, section 7, subdivision 1, as amended by Laws 1992, chapter 471, article 2, section 5, is amended to read:

Subdivision 1. [MINNEAPOLIS FIRE DEPARTMENT RELIEF ASSOCIATION; DEFINITIONS.] For the purposes of this section, each of the terms in this subdivision have the meanings given them in paragraphs (a) to (h).

(a) "Annual postretirement payment" means the payment of a lump sum postretirement benefit to an eligible member on June 1 following the determination date in any year.

(b) "City" means the city of Minneapolis.

(c) "Determination date" means December 31 of each year.

(d) "Eligible member" means a person, including a service pensioner, a disability pensioner, a survivor, or dependent of a deceased active member, service pensioner, or disability pensioner, who received a pension or benefit from the relief association during the 12 months before the determination date. A person who received a pension or benefit for the entire 12 months before the determination date is eligible for a full annual postretirement payment. A person who received a pension or benefit for less than 12 months before the determination date is eligible for a prorated annual postretirement payment.

(e) "Excess investment income" means the amount by which the average time weighted total rate of return earned by the fund in the most recent prior five fiscal year years has exceeded the actual average percentage increase in the current monthly salary of a top grade firefighter in the most recent prior five fiscal year years plus two percent. The excess investment income must be expressed as a dollar amount and may not exceed one percent of the total assets of the fund ~~and does not exist unless the yearly average percentage increase of the time weighted total rate of return of the fund for the previous five years exceeds by two percent the yearly average percentage increase in monthly salary of a top grade firefighter during the previous five calendar years.~~

(f) "Fund" means the Minneapolis fire department relief association.

(g) "Relief association" means the Minneapolis fire department relief association.

(h) "Time weighted total rate of return" means the percentage amount determined by using the formula or formulas established by the state board of investment under Minnesota Statutes, section 11A.04, clause (11), and in effect on January 1, 1987.

Sec. 17. Laws 1989, chapter 319, article 19, section 7, subdivision 4, as amended by Laws 1990, chapter 570, article 12, section 63, and Laws 1992, chapter 471, article 2, section 6, is amended to read:

Subd. 4. [AMOUNT OF ANNUAL POSTRETIREMENT PAYMENT.] The amount determined under subdivision 3 must be applied in accordance with this subdivision. The relief association shall apply the first one-half of one percent of assets which constitute excess investment income to the payment of an annual postretirement payment as specified in this subdivision. The second one-half of one percent of assets which constitute excess investment income shall be applied to reduce the state amortization state aid or supplementary amortization state aid payments otherwise due to the relief association under section 423A.02 for the current calendar year. The relief association shall pay an annual postretirement payment to all eligible members in an amount not to exceed one-half of one percent of the assets of the fund. Payment of the annual postretirement payment must be in a lump sum amount on June 1 following the determination date in any year. Payment of the annual postretirement payment may be made only if the average time weighted total rate of return in the most recent prior five fiscal years exceeds by two percent the actual average percentage increase in the current monthly salary of a top grade firefighter in the most recent prior five fiscal year and the yearly average percentage increase of the time weighted total rate of return of the fund for the previous five years exceeds by two percent the yearly average percentage increase in monthly salary of a top grade firefighter of the previous five years. The total amount of all payments to members may not exceed the amount determined under subdivision 3. Payment to each eligible member must be calculated by dividing the total number of pension units to which eligible members are entitled into the excess investment income available for distribution to members, and then multiplying that result by the number of units to which each eligible member is entitled to determine each eligible member's annual postretirement payment. Payment to each eligible member may not exceed an amount equal to the total monthly benefit that the eligible member was entitled to in the prior year under the terms of the benefit plan of the relief association or each eligible member's proportionate share of the excess investment income, whichever is less.

Sec. 18. [ALL TENANT TERMS AND CONDITIONS OF AGREEMENTS MUST BE MADE PUBLIC.]

An agreement to occupy the basketball and hockey arena as defined in Minnesota Statutes, section 473.551, subdivision 10, is not enforceable by any party to it unless all its terms and conditions are made public before it is intended to take effect.

Sec. 19. [240A.09] [APPROPRIATION.]

\$750,000 is appropriated annually from the general fund to the Minnesota amateur sports commission for the purpose of entering into long-term leases, use, or other agreements with the metropolitan sports facilities commission for the conduct of amateur sports activities at the metrodome or basketball and hockey arena, and for the purposes set forth in chapter 240A, including (1) stimulating and promoting amateur sports, (2) promoting physical fitness by promoting participation in sports, (3) promoting the development of recreational amateur sport opportunities and activities, and (4) promoting local, regional, national, and international amateur sport competitions and events. The legislature reserves the right to repeal or amend this appropriation, and does not intend this appropriation to create public debt.

Sec. 20. [REPEALER.]

Minnesota Statutes 1992, sections 473.564, subdivision 1; and 473.571, are repealed.

Sec. 21. [EFFECTIVE DATE; APPLICATION.]

This act takes effect the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Delete the title and insert:

"A bill for an act relating to metropolitan government; providing for the ownership, financing, and use of certain sports facilities; permitting the issuance of bonds and other obligations; appropriating money; amending Minnesota Statutes 1992, sections 423A.02, subdivision 1; 423B.01, subdivision 9; 423B.15, subdivision 3; 473.551; 473.552; 473.556; 473.561; 473.564, subdivision 2; 473.572; 473.581; 473.592; 473.595; and 473.596; Laws 1989, chapter 319, article 9, section 7, subdivisions 1, as amended, and 4, as amended; proposing coding for new law in Minnesota Statutes, chapters 240A; and 473; repealing Minnesota Statutes 1992, sections 473.564, subdivision 1; and 473.571."

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

The report was adopted.

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

H. F. No. 3079, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to make subgrants of certain money; amending Minnesota Statutes 1992, section 84.085, subdivision 1; repealing Minnesota Statutes 1992, section 88.063.

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. 3086, A bill for an act relating to the environment; allowing use of passive bioremediation for certain voluntary response actions; expanding the authority of the commissioner of the pollution control agency to issue determinations regarding liability for releases of hazardous substances and petroleum; amending Minnesota Statutes 1992, section 115B.175, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 115B.178, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 115C.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

Section. 1. Minnesota Statutes 1992, section 115C.03, subdivision 9, is amended to read:

Subd. 9. [REQUESTS FOR REVIEW, INVESTIGATION, AND OVERSIGHT.] (a) The commissioner may, upon request:

(1) assist in determining whether a release has occurred; and

(2) assist in or supervise the development and implementation of reasonable and necessary response corrective actions.

(b) Assistance may include review of agency records and files and review and approval of a requester's investigation plans and reports and corrective action plans and implementation.

(c) Assistance may include the issuance of a written determination that an owner or prospective buyer of real property will not be a responsible person under section 115C.021, if the commissioner finds the release came from a tank not located on the property. The commissioner may also issue a written confirmation that the real property was the site of a release and that the tank from which the release occurred has been removed or that the agency has issued a site closure letter and has not revoked that status. The issuance of the written determination or confirmation applies to tanks not on the property or removed only, and does not affect liability for releases from tanks that are on the property at the time of purchase. The written determination or confirmation extends to the successors and assigns of the person to whom it originally applied, if the successors and assigns are not otherwise responsible for the release.

(e) (d) The person requesting assistance under this subdivision shall pay the agency for the agency's cost, as determined by the commissioner, of providing assistance. Money received by the agency for assistance under this subdivision must be deposited in the state treasury and credited to the account.

#### ARTICLE 2

##### LANDFILL CLEANUP PROGRAM

Section 1. [115B.39] [LANDFILL CLEANUP; FINDINGS; DEFINITIONS.]

Subdivision 1. [PERMITTED LANDFILLS; LEGISLATIVE FINDINGS; PURPOSE.] The legislature finds that permitted mixed municipal solid waste land disposal facilities have provided benefits to the citizens of the state by meeting the public need for the disposal of mixed municipal solid waste. However, those facilities that were

designed, constructed, or operated prior to implementation of the rules governing design, construction, and operation of solid waste disposal facilities in effect on January 1, 1993, have contaminated and will continue to contaminate the surrounding environment unless action is taken to prevent and remediate the contamination. The significant financial and technical resources needed to address contamination from these facilities can be provided more fairly and efficiently by establishing a cleanup and liability system for these facilities that is separate from existing federal and state cleanup programs and that relies more heavily upon broadly based taxes on activities or products associated with landfill contamination.

The purposes of sections 115B.40 to 115B.43 are to:

(1) accept the larger societal financial responsibility to prevent further contamination from these land disposal facilities and to respond to and remediate existing contamination;

(2) expedite prevention and remediation activities at the facilities; and

(3) avoid lengthy disputes over responsibility for payment of the costs associated with environmental response related to the facilities and the delays that necessarily accompany those disputes.

Subd. 2. [DEFINITIONS.] (a) In addition to the definitions in this subdivision, the definitions in sections 115A.03 and 115B.02 apply to sections 115B.40 to 115B.45, except as specifically modified in this subdivision.

(b) "Closure" means actions to prevent or minimize the threat to public health and the environment posed by a mixed municipal solid waste disposal facility that has stopped accepting waste by controlling the sources of releases or threatened releases at the facility. "Closure" includes removing contaminated equipment, applying final cover, grading and seeding final cover, installing wells, borings, and other monitoring devices, constructing groundwater and surface water diversion structures, and installing gas control systems and site security systems, as necessary.

(c) "Construction costs" means costs of a response action at a facility other than legal, administrative, engineering, environmental study, plan development, or negotiation costs.

(d) "Decomposition gases" means gases produced by chemical or microbial activity during the decomposition of solid waste.

(e) "Postclosure" or "postclosure care" means actions taken for the care, maintenance, and monitoring of closure actions, excluding groundwater monitoring, at a mixed municipal solid waste disposal facility.

(f) "Qualified facility" means a permitted mixed municipal solid waste disposal facility, as defined in section 115A.03, that meets the criteria listed in section 115B.40.

(g) "Respond" or "response" has the meaning given it in section 115B.02, subdivision 18, including groundwater monitoring but excluding closure and postclosure care.

Sec. 2. [115B.40] [LANDFILL CLEANUP; QUALIFIED FACILITIES; CLOSURE AND POSTCLOSURE CARE.]

Subdivision 1. [QUALIFIED FACILITY.] A mixed municipal solid waste disposal facility that is or was permitted by the agency, that stopped accepting waste by April 9, 1994, and that has complied with the required payment schedule for the facility under the owner's or operator's obligation to provide proof of financial responsibility under section 116.07, subdivision 4h, qualifies for the landfill cleanup program under section 115B.41 unless:

(1) responsible persons were implementing response actions at the facility under a consent order with the agency as of January 1, 1994; or

(2) the United States Environmental Protection Agency has issued an order requiring implementation of response actions under United States Code, title 42, section 9606.

Subd. 2. [OWNER OR OPERATOR; DUTIES.] (a) The owner or operator of a qualified facility shall:

(1) complete closure activities at the facility within one year from the date the owner or operator is notified by the commissioner of the closure activities that are necessary to properly close the facility in compliance with the solid waste rules that were in effect on January 1, 1993;

(2) undertake or continue postclosure care at the facility, except for collection and analysis of groundwater and surface water samples, until the commissioner determines postclosure care is no longer necessary or 20 years after final closure, whichever occurs first;

(3) continue, until the date of final closure, to set aside or otherwise establish or dedicate and thereafter to maintain any funds, financial instruments, or other financial arrangements established as proof of financial responsibility for response at the facility in compliance with section 116.07, subdivision 4h, in accordance with rules adopted under that subdivision and the facility's permit, and assign to the commissioner rights to access those funds, instruments or other arrangements for use when response action is undertaken at the facility under section 115B.41;

(4) agree to cooperate with the commissioner or other persons acting at the direction of the commissioner in taking additional closure or postclosure care and response actions necessary to address releases or threatened releases and to avoid any action that interferes with closure, postclosure care, or response actions; and

(5) agree to develop property described in any permit for the facility only after consultation with the commissioner and in conformance with any conditions established by the commissioner for that property to protect public health and welfare and the environment.

(b) The owner or operator of a facility that was closed prior to January 1, 1993, in compliance with the terms of the facility's permit, closure orders, or enforcement agreement with the agency, and with the solid waste rules in effect at the time the facility stopped accepting waste is not required to undertake any further closure activities under paragraph (a), clause (1), but must comply with paragraph (a), clauses (2) to (5).

(c) Notwithstanding paragraph (a), clause (3), the owner or operator of a facility that is a political subdivision may use a portion of any funds established for response at the facility, which are available directly or through a financial instrument or other financial arrangement, for closure or postclosure care at the facility if funds available for closure or postclosure care are inadequate and shall assign the rights to any remainder to the commissioner.

(d) Under paragraph (a), clause (4), an owner shall agree to provide access to the property to the commissioner and the commissioner's authorized representatives and to allow the commissioner, or persons acting at the direction of the commissioner, to undertake all activities necessary for any additional closure or postclosure care and to carry out response actions at the facility. Agreements under paragraph (a), clauses (4) and (5), must apply to and be binding upon the successors and assigns of the owner. The owner shall record the agreements, or memoranda approved by the commissioner that summarize the agreements, with the county recorder or registrar of titles of the county where the property is located.

Subd. 3. [COMMISSIONER; DUTIES.] If the owner or operator of a qualified facility fails to comply with subdivision 2, the commissioner shall:

(1) undertake or complete closure activities at the facility in compliance with the solid waste rules in effect at the time the commissioner takes action under this clause; and

(2) undertake or continue postclosure care at the facility as required under subdivision 2.

Subd. 4. [CAUSE OF ACTION; RECOVERY OF COSTS.] If the commissioner must undertake closure or postclosure care under subdivision 3, the owner or operator is responsible for the costs incurred by the commissioner for those activities and the commissioner may use any funds available for closure and postclosure care established by the owner or operator. If those funds are insufficient or if the owner or operator fails to assign rights to them to the commissioner, the commissioner may seek recovery of closure or postclosure care costs in district court in the county of Ramsey or in the county where the facility is located or where the owner or operator resides. If an owner or operator fails to assign rights to financial responsibility funds or to make agreements under subdivision 2, paragraph (a), clause (3), (4), or (5), the commissioner may seek an order to compel performance in district court in any of the counties noted in this subdivision.

In an action brought under this subdivision in which the commissioner prevails, the court shall award the commissioner reasonable attorney fees and other litigation expenses incurred by the commissioner to bring the action. All costs, fees, and expenses recovered under this subdivision must be deposited in the environmental fund and credited to the landfill cleanup account established in section 115B.42.

Subd. 5. [CLOSURE AND POSTCLOSURE CARE; LIENS.] All expenses, including expenses related to seeking recovery of the costs of closure and postclosure care, incurred by the commissioner under subdivisions 3 and 4 constitute a lien in favor of the state upon any real property, other than homestead property, owned by the owner or operator that is located in the state. A lien for closure and postclosure care costs attaches when those costs are first incurred and continues until the lien is satisfied or becomes unenforceable as for an environmental lien under section 514.672. Notice, filing, and release of a closure or postclosure care lien are governed by sections 514.671 to 514.676, except where those requirements specifically are related to only cleanup action expenses as defined in section 514.671. Relative priority of a lien under this subdivision is governed by section 514.672, except that a lien attached to property that was included in any permit for the solid waste disposal facility takes precedence over all other liens regardless of when the other liens were or are perfected. Amounts received to satisfy all or a part of a lien must be deposited in the landfill cleanup account.

Subd. 6. [LOCAL GOVERNMENT AID; OFFSET.] If an owner or operator fails to comply with subdivision 2, fails to remit payment of closure and postclosure care or other costs incurred by the commissioner under subdivision 3 or 4, and is a local government unit, the commissioner may seek payment of costs incurred under subdivision 3 or 4 from any state aid payments, except payments made under section 115A.557, subdivision 1, otherwise due the local government unit. The commissioner of revenue, after being notified by the commissioner that the local government unit has failed to pay costs incurred under subdivision 3 or 4 and the amount due, shall pay an annual proportionate amount of the state aid payment into the landfill cleanup account that will, over a period of no more than five years, satisfy the liability of the local government unit for the commissioner's costs.

Subd. 7. [DISQUALIFICATION; PERMITS.] If an owner or operator of a qualified facility that is not a local government unit does not undertake closure and postclosure care in compliance with subdivision 2 and the commissioner spends money from the landfill cleanup account established in section 115B.42 to complete closure or undertake postclosure care at the facility under subdivision 3, the owner or operator is ineligible to obtain a state or local permit or license to engage in a business that manages solid waste. Failure of an owner or operator to complete closure and postclosure care at a qualified facility is prima facie evidence of the lack of fitness of that owner or operator to conduct a solid waste business and is grounds for revocation of any solid waste business permit or license held by that owner or operator.

Subd. 8. [POTENTIALLY RESPONSIBLE PERSON.] To expedite listing of a qualified facility under the landfill cleanup program in section 115B.41, a person who is potentially liable for response costs at the facility under sections 115B.01 to 115B.24, if the facility is not included in the landfill cleanup program, may undertake closure or postclosure care under an agreement with the commissioner in compliance with subdivision 2.

### Sec. 3. [115B.41] [LANDFILL CLEANUP PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The commissioner shall establish a landfill cleanup program to respond to releases of hazardous substances, pollutants and contaminants, and decomposition gases from qualified land disposal facilities that have been listed as included in the program in compliance with subdivision 2. The commissioner shall ensure that the program established under this section incorporates the same environmental and public health and welfare standards for responding to releases that are required under sections 115B.01 to 115B.24.

Subd. 2. [IDENTIFICATION OF QUALIFIED FACILITIES.] (a) By September 1, 1994, the commissioner shall inspect each potentially qualified facility to determine the status of closure activities and to evaluate groundwater conditions at the facility. The commissioner may undertake activities necessary to:

- (1) evaluate the adequacy of final cover, slopes, vegetation, and erosion control;
- (2) determine the presence and concentration of hazardous substances, pollutants and contaminants, and decomposition gases; and
- (3) determine the boundaries of fill areas.

(b) The commissioner shall notify the owner or operator of each facility of whether closure is complete and whether postclosure care is adequate under the owner's or operator's responsibility for closure and postclosure care under section 115B.40, subdivision 2. If closure is incomplete or postclosure care is inadequate, the commissioner shall notify, at the earliest practical date, the owner or operator of what actions need to be taken to comply with section 115B.40, subdivision 2. When closure is complete and postclosure care is adequate, the commissioner shall list the facility under the landfill cleanup program.

(c) For a facility that has been properly closed under section 115B.40, subdivision 2, but for which the closure requirements are less environmentally protective than closure requirements in the solid waste rules in effect on January 1, 1993, the commissioner shall determine whether the facility should be closed to the higher standards and, if so, shall undertake additional closure activities at the facility to meet those standards. The commissioner may determine that additional closure activities are unnecessary only if it is likely that response actions will be taken in the near future and that those response actions will disrupt, will be counterproductive to, or will otherwise make unnecessary the additional closure activities.

Subd. 3. [PRIORITIES FOR CLEANUP.] (a) For the purpose of responding to releases of hazardous substances, pollutants and contaminants, or decomposition gases at qualified facilities that have been listed under the landfill cleanup program under subdivision 2, the commissioner shall establish a priority list to be periodically revised to include additional facilities and to reflect changing conditions at facilities that affect priority for response actions. The initial priority list must be established by January 1, 1995.

(b) The priority list required under this section must be based on the relative risk or danger to public health or welfare or the environment, taking into account to the extent possible the population at risk, the hazardous potential of the hazardous substances at the facility, the potential for contamination of drinking water supplies, the potential for direct human contact, and the potential for destruction of sensitive ecosystems.

Subd. 4. [RESPONSE TO RELEASES.] The commissioner may take any response action, including emergency action, related to a release of a hazardous substance, pollutant or contaminant, or decomposition gas from a listed qualified facility that the commissioner deems necessary to protect the public health or welfare or the environment. The commissioner may undertake detailed studies necessary to determine necessary response actions at individual facilities. The commissioner may develop general work plans rather than detailed studies for facilities with similar characteristics. Prior to selecting appropriate response actions for a facility, the commissioner shall hold at least one public informational meeting near the facility and provide for receiving and responding to comments related to the selection. The commissioner shall design, implement, and provide oversight consistent with the response actions selected under this subdivision. Before money may be spent from the landfill cleanup account for response cost at a facility, the commissioner shall access and expend all funds available for response under section 116.07, subdivision 4h, at that facility.

Subd. 5. [DUTY TO PROVIDE INFORMATION.] Any person who the commissioner has reason to believe has or may obtain information related to the generation, composition, transportation, treatment, or disposal of waste in a mixed municipal solid waste disposal facility or who has or may obtain information related to the ownership or operation of a facility shall furnish to the commissioner or the commissioner's designee any information that person may have or may reasonably obtain that is relevant to a release or threatened release at a facility.

Subd. 6. [ACCESS TO INFORMATION AND PROPERTY.] The commissioner or a person designated by the commissioner, on presentation of credentials, may:

(1) examine and copy any books, papers, records, memoranda, or data of any person who has a duty to provide information to the agency under subdivision 5; and

(2) enter upon any property, public or private, for the purpose of taking any action authorized by this section including obtaining information from any person who has a duty to provide the information under subdivision 5, conducting surveys or investigations, and taking response action.

This subdivision and subdivision 5 are enforceable under sections 115.071 and 116.072. Costs, including court costs, attorney fees, and administrative costs, to enforce this subdivision must be recovered in an enforcement action under this subdivision.

Subd. 7. [ACQUISITION AND DISPOSITION OF REAL PROPERTY.] The commissioner may acquire and dispose of real property the commissioner deems necessary for response actions related to a qualified facility under section 115B.17, subdivisions 15 and 16.

Subd. 8. [AFFECTED REAL PROPERTY; NOTICE.] (a) The commissioner shall provide to affected local government units, to be available as public information, and shall make available to others, on request, a description of the real property described in the original and any revised permits for a qualified facility, along with a description of activities that will be or have been taken on the property under sections 115B.40 to 115B.43 and a reasonably accurate description of the types, locations, and potential movement of hazardous substances, pollutants and

contaminants, or decomposition gases related to the facility. The commissioner shall provide and make this information available at the time the facility is listed under the landfill cleanup program; shall revise, provide, and make the information available when response actions, other than long-term maintenance actions, have been completed; and shall revise the information over time if significant changes occur that make the information obsolete or misleading.

(b) A local government unit that receives information from the commissioner under paragraph (a) shall incorporate that information in any land use plan that includes the affected property and shall notify any person who applies for a permit related to development of the affected property of the existence of the information and, on request, provide a copy of the information.

Subd. 9. [ENVIRONMENTAL LIEN.] An environmental lien for response costs incurred by the commissioner under sections 115B.39 to 115B.45 attaches, under sections 514.671 to 514.676, to all the real property described in the original and any revised permits for a qualified facility from the date the first assessment, closure, postclosure care, or response activities related to the facility are undertaken by the commissioner. For the purposes of filing an environmental lien under this subdivision, the term "cleanup action" as used in sections 514.671 to 514.676 includes all of the costs incurred by the commissioner to assess, close, maintain, monitor, and respond to releases at qualified facilities under sections 115B.39 to 115B.45. Notwithstanding section 514.672, subdivision 4, a lien under this paragraph takes precedence over all other liens on the property regardless of when the other liens were or are perfected.

Subd. 10. [CONTRACTS.] The commissioner shall, to the extent practicable, ensure that contracts for activities or consulting services under this section are entered into with contractors or consultants located within the region where the facility subject to the contracts is located. The commissioner shall tailor specifications in requests for proposals to the types of activities or services that need to be undertaken at a specific facility or group of facilities located in the same region and shall not include specifications that require specialized expertise or laboratory work not available within the region unless it is necessary to do so to meet the requirements of this section. The commissioner may not issue a request for proposals for a statewide contract for an activity or a service under this section unless no contractor or consultant located outside the metropolitan area is able to undertake the specific activity or service contemplated by the request on a regional basis.

Sec. 4. Minnesota Statutes 1992, section 115B.42, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; APPROPRIATION; SEPARATE ACCOUNTING.] (a) The landfill cleanup account is established in the environmental fund in the state treasury and is appropriated to the commissioner for the purposes listed in subdivision 2. The account consists of money credited to the account and interest earned on the money in the account.

(b) The commissioner of finance shall separately account for revenue deposited in the account from financial assurance funds or other mechanisms, the metropolitan landfill contingency action trust fund, state bond proceeds, and all other sources of revenue.

Sec. 5. Minnesota Statutes 1993 Supplement, section 115B.42, subdivision 2, is amended to read:

Subd. 2. [EXPENDITURES.] ~~Subject to appropriation,~~ (a) Money in the account may be spent ~~for~~ by the commissioner to:

- (1) ~~inspection of inspect permitted~~ mixed municipal solid waste disposal facilities to:
  - (i) ~~evaluate the adequacy of final cover, slopes, vegetation, and erosion control;~~
  - (ii) ~~determine the presence and concentration of hazardous substances, pollutants or contaminants, and decomposition gases; and~~
  - (iii) ~~determine the boundaries of fill areas; and~~
- (2) ~~response actions at mixed municipal solid waste disposal facilities under chapter 115B;~~

(2) monitor and take, or reimburse others for, response actions, including emergency response actions, at listed qualified facilities;



- (3) engage in closure and postclosure care activities under sections 115B.40 and 115B.41;
  - (4) acquire and dispose of property under section 115B.41, subdivision 6;
  - (5) recover costs under sections 115B.40 and 115B.43;
  - (6) administer sections 115B.39 to 115B.45;
  - (7) enforce sections 115B.39 to 115B.45;
  - (8) reimburse persons under subdivision 3; and
  - (9) pay mediation expenses or defense costs for third-party claims for response costs under state or federal law as provided in section 115B.44.
- (b) Money in the account received as revenue from the following sources may be spent only for the stated purposes:
- (1) revenue from a financial assurance fund or other mechanism must be spent first for activities under sections 115B.40 and 115B.41 at the listed qualified facility for which the fund or other mechanism was established until exhausted or until that facility no longer needs funds from the account, whichever occurs first;
  - (2) revenue from the metropolitan landfill contingency action trust fund must be spent for activities under sections 115B.40 and 115B.41 at listed qualified facilities located in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington;
  - (3) revenue from state bond proceeds may be spent for activities under sections 115B.40 and 115B.41 only at publicly owned listed qualified facilities and for reimbursement under subdivision 3 for response costs incurred at facilities that were publicly owned when the response costs were incurred; and
  - (4) revenue from all other sources may be spent for any of the purposes in clauses (1) to (3); for activities under sections 115B.40 and 115B.41 at listed qualified facilities that are not publicly owned; for reimbursement under subdivision 3 for response costs incurred at facilities that were not publicly owned at the time the response costs were incurred; and for the expenses of the commissioner of the agency for administering and enforcing sections 115B.39 to 115B.45.
- (c) Any money in the account received as revenue from a financial assurance fund or other mechanism that remains after the facility for which the fund or other mechanism was established no longer needs funds from the account may be spent as specified in paragraph (b), clause (4).

Sec. 6. Minnesota Statutes 1992, section 115B.42, is amended by adding a subdivision to read:

Subd. 3. [REIMBURSEMENT.] (a) The commissioner shall use eight percent of the revenue deposited in the landfill cleanup account from state bond proceeds and sources other than financial assurance funds or other mechanisms and other than the metropolitan landfill contingency action trust fund in each fiscal year to reimburse persons, on request, in the following order of priority:

(1) private or public solid waste generators who have remitted or promised to remit, after request by a responsible person or group of responsible persons, an amount to the responsible persons or group of responsible persons for response costs at a listed qualified facility or at a disposal facility that would be a qualified facility except that it meets the criteria in section 115B.40, subdivision 1, clause (1) or (2), and against whom the responsible person or group of responsible persons does not have a judicial determination of responsibility for the response costs under federal law or state law;

(2) a local government unit that is the owner or operator of a listed qualified facility for money spent for response action at the facility that was approved by the agency and that exceeds the liability limits of section 115B.04, subdivision 4;

(3) a private owner or operator or other responsible person or group of responsible persons for money spent for construction costs for response actions at a listed qualified facility that were approved by the agency and that exceed \$1,200,000 if the person halts all cost recovery actions against other potentially responsible persons as of the effective date of this subdivision and agrees not to initiate any cost recovery actions related to the facility in the future;

(4) a local government unit that is the owner or operator of a permitted solid waste disposal facility that stopped accepting waste by April 9, 1994, and that is not otherwise qualified for the landfill cleanup program under section 115B.40, subdivision 1, clause (1) or (2), under the conditions and in the amounts specified in clause (2); and

(5) a private owner or operator or other responsible person or group of responsible persons related to a permitted solid waste disposal facility that is not otherwise qualified for the landfill cleanup program under section 115B.40, subdivision 1, clause (1) or (2), under the conditions and in the amounts specified in clause (3).

(b) To determine the annual amount of reimbursement for each eligible person, the commissioner shall accept applications for reimbursement until June 1 of each year. The commissioner shall determine the total amount available for reimbursement and, by July 1 of each year, shall reimburse those eligible under paragraph (a), clause (1), and if funds remain, those eligible under paragraph (a), clause (2), then under paragraph (a), clause (3), then under paragraph (a), clause (4), and finally under paragraph (a), clause (5). Whenever there are insufficient funds to provide reimbursement to all those eligible under a single clause in any given year, the commissioner shall divide the amount available on a proportional basis among those eligible and shall continue to reimburse them as funds become available in future years until all of them have been fully reimbursed. For the purposes of paragraph (a), clause (1), the entire amount remitted by a solid waste generator to a responsible person or group of responsible persons is deemed to be for response costs.

Sec. 7. Minnesota Statutes 1992, section 115B.42, is amended by adding a subdivision to read:

Subd. 4. [REPORT.] By October 1 of each odd-numbered year, the commissioner shall report to the legislative commission on waste management and to the appropriate finance committees of the house of representatives and the senate on the commissioner's activities under sections 115B.39 to 115B.45.

Sec. 8. [115B.43] [RELATION TO OTHER LAW; LIABILITY PROVISIONS.]

Subdivision 1. [LIABILITY FOR RELEASE.] (a) Section 115B.04 does not govern liability for:

(1) a release or threatened release of a hazardous substance or pollutant or contaminant from a listed qualified facility for which all the expected costs of response to the release or threatened release have been encumbered from the landfill cleanup account; or

(2) a release or a threatened release from a listed qualified facility that requires emergency response as long as there is sufficient money in the landfill cleanup account to pay for the emergency response.

(b) Notwithstanding paragraph (a), the commissioner may recover under section 115B.17, subdivision 6, that portion of the costs of a response action or emergency response action attributable to a person who otherwise would be responsible for the release or threatened release under sections 115B.03 and 115B.04 and whose actions related to the release or threatened release were in violation of federal or state hazardous waste management laws in effect at the time of those actions. The commissioner's determination of the portion of the costs of a response action attributable to a person under this paragraph, based on the volume and hazardous nature of the waste in the facility associated with the person and other factors reasonably related to the contribution of the person to the release or threatened release, is prima facie evidence that those costs are attributable to that person.

Subd. 2. [STATE LIABILITY.] Neither the commissioner, the agency, nor the state assumes liability under sections 115B.01 to 115B.24, for a release or threatened release from a facility for which funds are expended from the landfill cleanup account and for which the state had no liability prior to implementation of the landfill cleanup program, unless a response action taken by the commissioner aggravates or contributes to a release or threatened release, in which case the state is liable only for the response costs related to its contribution to the release.

Sec. 9. [115B.44] [THIRD-PARTY CLAIMS; MEDIATION; DEFENSE.]

Subdivision 1. [THIRD-PARTY CLAIMS; DEFINITION.] For the purposes of this section, "third-party claims" means claims made against solid waste generators by a responsible person or group of responsible persons under state or federal law for payment of response costs and related costs at a permitted mixed municipal solid waste disposal facility when the claimant or claimants do not have factual evidence that the persons against whom the claims are made ever contributed a hazardous substance or pollutant or contaminant to the facility.

Subd. 2. [MEDIATION.] A third-party claim or group of third-party claims that all arise from the same facility may be submitted to mediation under the Minnesota civil mediation act, sections 572.31 to 572.40. The costs of mediation must be allocated equally between the person or persons against whom the claims are made and the person or persons making the claims.

Subd. 3. [PARTIAL REIMBURSEMENT.] A person or persons against whom one or more third-party claims are made may seek reimbursement from the commissioner of one-half of the costs of mediation allocated to the person or persons under subdivision 2. The commissioner shall reimburse the person or persons that request reimbursement unless the commissioner finds that the mediation was not entered into and conducted in good faith by the person or persons seeking reimbursement.

Subd. 4. [DEFENSE COSTS.] If a person or persons against whom one or more third-party claims are made request the person or persons making the claims to submit the claims to mediation and the claimants refuse to submit to mediation or if the person or persons against whom third-party claims are made enter into and conduct the mediation in good faith but the mediation fails to resolve the claims, the person or persons, in cooperation with other persons against whom third-party claims have been made that arise from the same facility, may retain legal counsel to defend them against the claims and may seek partial reimbursement from the commissioner for reasonable attorney fees. The commissioner shall provide partial reimbursement for reasonable attorney fees under this subdivision of \$..... per hour for a maximum number of hours to be established by the commissioner by rule. The maximum number of hours for reimbursement must increase as the number of persons who collectively retain legal counsel to defend against related claims increases but need not increase proportionately to the increase in the number of persons seeking collective defense. Under no circumstances may a person or group of persons receive reimbursement of more than 75 percent of their reasonable attorney fees under this subdivision.

Sec. 10. [115B.45] [RULES.]

The commissioner may adopt rules necessary to implement sections 115B.39 to 115B.44.

Sec. 11. [POLLUTION CONTROL AGENCY COMPLEMENT; TRANSFER.]

For the purposes of implementing and administering the landfill cleanup program, the existing approved complement of the pollution control agency is adjusted by transferring to the landfill cleanup program:

- (1) 16 positions presently funded by the state environmental response, compensation, and compliance account;
- (2) eight positions presently funded by federal funds; and
- (3) two positions presently funded by the metropolitan landfill contingency action trust account.

ARTICLE 3

LANDFILL CLEANUP FUNDING

Section 1. Minnesota Statutes 1993 Supplement, section 116.07, subdivision 10, is amended to read:

Subd. 10. [SOLID WASTE ASSESSMENTS.] (a) For the purposes of this subdivision, "assessed waste" means mixed municipal solid waste as defined in section 115A.03, subdivision 21, infectious waste and pathological waste as defined in section 116.76, subdivisions 12 and 14, industrial waste as defined in section 115A.03, subdivision 13a, and construction debris as defined in section 115A.03, subdivision 7.

(b) A person that collects ~~mixed-municipal-solid~~ assessed waste shall collect and remit to the commissioner of revenue a solid waste assessment from each of the person's customers as provided in paragraphs (b) and (c) and (d).

(c) The amount of the assessment for each residential customer is \$2 per year. Each waste collector shall collect the assessment annually from each residential customer that is receiving waste collection service on July 1 of each year and shall remit the amount collected along with the collector's first remittance of the sales tax on solid waste collection services, described in section 297A.45, made after October 1 of each year. Any amount of the assessment that is received by the waste collector after October 1 of each year must be remitted along with the collector's next remittance of sales tax after receipt of the assessment.

(e) (d) The amount of the assessment for each nonresidential customer is ~~12 54 cents~~, 81 cents beginning July 1, 1996, per noncompacted cubic yard of periodic waste collection capacity purchased by the customer. Each waste collector shall collect the assessment from each nonresidential customer as part of each statement for payment of waste collection charges and shall remit the amount collected along with the next remittance of sales tax after receipt of the assessment.

(e) A person who transports assessed waste generated by that person or by another person without compensation shall pay an assessment of 54 cents per noncompacted cubic yard or the equivalent to the operator of the facility to which the waste is delivered. The operator shall remit the assessments collected under this paragraph to the commissioner of revenue as though they were sales taxes under chapter 297A.

(d) (f) The commissioner of revenue shall redesign sales tax forms for solid waste collectors to accommodate payment of the assessment. ~~The commissioner of revenue shall deposit the~~ Amounts remitted under this subdivision must be deposited in the environmental fund and ~~shall credit four-sevenths of the receipts the annual amount exceeding \$3,000,000 credited~~ to the landfill cleanup account established in section 115B.42.

(e) (g) For the purposes of this subdivision, a "person that collects ~~mixed municipal solid~~ assessed waste" means each person that pays sales tax on solid waste collection services under section 297A.45, or would pay sales tax under that section if the assessed waste was mixed municipal solid waste.

(f) (h) The audit, penalty, enforcement, and administrative provisions applicable to taxes imposed under chapter 297A apply to the assessments imposed under this subdivision.

## Sec. 2. [APPROPRIATION.]

\$3,000,000 is appropriated from the environmental fund to the commissioner of the pollution control agency for the development and operation of household hazardous waste management programs throughout the state to be available until June 30, 1995.

## Sec. 3. [TRANSFER.]

\$20,000,000 is transferred from the bonds proceeds fund to the landfill cleanup account in the environmental fund for the purposes of Minnesota Statutes, section 115B.42, subdivision 2, paragraph (b), clause (3).

## Sec. 4. [BOND SALE.]

To provide the money transferred under section 3 from the state bond proceeds fund, the commissioner of finance, on request of the governor, shall sell and issue bonds of the state in an amount up to \$20,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and the Minnesota Constitution, article XI, sections 4 to 7.

# ARTICLE 4

## METROPOLITAN LANDFILL CONTINGENCY ACTION TRUST FUND

Section 1. Minnesota Statutes 1992, section 115.073, is amended to read:

### 115.073 [ENFORCEMENT FUNDING.]

Except as provided in sections 115B.20, subdivision 4, clause (2), ~~and 115C.05, and 473.845, subdivision 8~~, all money recovered by the state under this chapter and chapters 115A and 116, including civil penalties and money paid under an agreement, stipulation, or settlement, excluding money paid for past due fees or taxes, up to the amount appropriated for implementation of Laws 1991, chapter 347, must be deposited in the state treasury and credited to the environmental fund.

Sec. 2. Minnesota Statutes 1992, section 383D.71, subdivision 1, is amended to read:

Subdivision 1. [NONMETROPOLITAN COUNTY POWERS.] Dakota county may exercise the powers of a county under section 400.08, in addition to the powers that Dakota county may exercise under other law. The county may expend money for resource recovery purposes under sections 473.801 to ~~473.845~~ 473.849.

Sec. 3. Minnesota Statutes 1992, section 473.801, subdivision 1, is amended to read:

Subdivision 1. [TERMS.] For the purposes of sections 473.801 to ~~473.845~~ 473.849 and Laws 1985, chapter 274, section 45 the terms defined in this section have the meanings given them.

Sec. 4. Minnesota Statutes 1992, section 473.801, subdivision 4, is amended to read:

Subd. 4. [APPLICATION.] Unless otherwise provided the definitions of terms in section 115A.03 ~~shall~~ apply to sections 473.801 to ~~473.845~~ 473.849.

Sec. 5. Minnesota Statutes 1992, section 473.841, is amended to read:

473.841 [CITATION.]

Sections 473.842 to ~~473.847~~ 473.849 may be cited as the "metropolitan landfill abatement act."

Sec. 6. Minnesota Statutes 1992, section 473.842, subdivision 1, is amended to read:

Subdivision 1. [SCOPE.] As used in sections 473.842 to ~~473.847~~ 473.849, the terms defined in this section have the meanings given them.

Sec. 7. Minnesota Statutes 1992, section 473.843, subdivision 2, is amended to read:

Subd. 2. [DISPOSITION OF PROCEEDS.] After reimbursement to the department of revenue for costs incurred in administering this section, the proceeds of the fees imposed under this section, including interest and penalties, must be deposited ~~as follows:~~

~~(1) three-fourths of the proceeds must be deposited in the metropolitan landfill abatement account established in section 473.844; and~~

~~(2) one-fourth of the proceeds must be deposited in the metropolitan landfill contingency action trust fund established in section 473.845.~~

Sec. 8. [REPEALER.]

Minnesota Statutes 1992, sections 473.842, subdivisions 1a, 4a, and 5; 473.845; and 473.847, are repealed.

Sec. 9. [ABOLITION OF TRUST FUND; TRANSFER OF BALANCE.]

The metropolitan landfill contingency action trust fund is abolished. The balance remaining in the metropolitan landfill contingency action trust fund on June 30, 1994, is transferred to the landfill cleanup account in the environmental fund.

Sec. 10. [EFFECTIVE DATE.]

This article is effective July 1, 1994."

Delete the title and insert:

"A bill for an act relating to the environment; expanding the authority of the commissioner of the pollution control agency to release persons from liability for contamination from petroleum tanks; establishing an environmental cleanup program for landfills; increasing the solid waste generator fee; providing penalties; appropriating money; providing for state bonding; abolishing the metropolitan landfill contingency action trust fund; transferring trust fund assets; amending Minnesota Statutes 1992, sections 115.073; 115B.42, subdivision 1 and by adding subdivisions; 115C.03, subdivision 9; 383D.71, subdivision 1; 473.801, subdivisions 1 and 4; 473.841; 473.842, subdivision 1; and 473.843, subdivisions 1 and 2; amending Minnesota Statutes 1993 Supplement, sections 115B.42, subdivision 2; and 116.07, subdivision 10; proposing coding for new law in Minnesota Statutes, chapters 115A; and 115B; repealing Minnesota Statutes 1992, sections 473.842, subdivisions 1a, 4a, and 5; 473.845; and 473.847."

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

The report was adopted.

Carlson from the Committee on Education to which was referred:

H. F. No. 3178, A bill for an act relating to education; appropriating money for education and related purposes to the higher education coordinating board, state board of technical colleges, state board for community colleges, state university board, and board of regents of the University of Minnesota, with certain conditions; changing the designation of Fond du Lac center; prescribing changes to certain financial aid programs; reinstating rules pertaining to private business, trade, and correspondence schools and technical colleges personnel licensing; limiting curricular authority of the POST board; abolishing the higher education coordinating board; adopting a post-secondary funding formula; providing for appointments; defining higher education board authority for bargaining with certain employees; designating certain higher education board employees as unclassified; clarifying transfer provisions for the merger of community colleges, state universities, and technical colleges; transferring bonding authority for the state universities to the higher education board; establishing the higher education board as the sole state agency for federal funding for vocational education; providing for appointments of additional student members on the higher education board; establishing the student board member selection process; authorizing the higher education board to supervise and control construction, improvement, and repair of its facilities; preserving distinct post-secondary missions; recognizing separate student associations; transferring excess debt service funds; amending Minnesota Statutes 1992, sections 43A.06, subdivision 1; 43A.08, subdivision 1; 43A.18, by adding a subdivision; 135A.01; 135A.02; 135A.03, as amended; 136.31; 136.32; 136.33; 136.34; 136.35; 136.36; 136.37; 136.38; 136.41, by adding a subdivision; 136.60; 136A.121, subdivision 17; 136A.125, subdivisions 2, 3, and 4; 136A.15, subdivision 6; 136C.06; and 136E.01, subdivisions 1 and 2; 179A.10, subdivision 1; Minnesota Statutes 1993 Supplement, sections 43A.18, subdivision 4; 136.41, subdivision 8; 136A.233, subdivisions 1 and 2; 136E.03; Laws 1991, chapter 356, article 9, sections 8, subdivision 1; 9; 12; and 13; Laws 1993, chapter 224, article 12, section 39; proposing coding for new law in Minnesota Statutes, chapters 135A; 136; and 136E; repealing Minnesota Statutes 1992, sections 135A.06, subdivisions 2, 3, 4, 5, and 6; 136.31, subdivision 6; 136.40; 136.41, subdivisions 1, 2, 3, 4, 5, 6, and 7; and 136.42; 136C.36; Minnesota Statutes 1993 Supplement, section 135A.061; Laws 1993, First Special Session chapter 2, article 1, section 9, subdivision 8.

Reported the same back with the following amendments:

Page 4, after line 30, insert:

"In making Fond du Lac a full campus, the legislature intends to enhance the programs, enrollment, and efficiency of the campus. As part of this action the state board for community colleges shall report on its plans to accomplish these goals to the higher education finance divisions by January 15, 1995."

Page 5, delete lines 10 to 18 and insert:

"The board of regents is requested to report to the higher education finance divisions of the house of representatives and the senate by January 15, 1995, on the policies and practices it has planned or implemented to comply with Title VII, Title IX, and the Equal Pay Act as they relate to coaches of men's and women's athletics."

Page 30, line 27, delete "higher education board" and insert "department of employee relations"

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.

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

S. F. No. 1758, A bill for an act relating to welfare reform; requiring pregnant and parenting minors to live with their parents in order to receive aid to families with dependent children (AFDC); providing an exception to the AFDC overpayment statute; allowing start work offset to AFDC recipients in the first month of work; broadening the scope of the employment and training statute by requiring more AFDC recipients to participate in job search; allowing

vendor emergency assistance payments for damage deposit; providing required workers' compensation insurance for community work experience program workers; expanding cost-neutral fraud prevention programs; allowing emergency assistance damage deposit be returned to the county; allowing the county to pay monthly general assistance differently; making general assistance and work readiness lump-sum criteria the same as the AFDC lump-sum criteria, with some exceptions; requiring a study to expand the parent's fair share pilot project statewide; requiring the departments of human services and revenue to design and implement a plan which supports working families; directing the commissioner of human services to seek several waivers from the federal government which support and promote moving off welfare and becoming self-sufficient; expanding the parent's fair share pilot project into Ramsey county; expanding state support for basic sliding fee day care program; appropriating money; amending Minnesota Statutes 1992, sections 256.73, by adding subdivisions; 256.737, by adding a subdivision; 256.81; 256.979, by adding a subdivision; 256.983, subdivision 1; 256D.05, subdivision 6; 256D.09, by adding a subdivision; 256H.05, subdivision 1b; and 268.672, subdivision 6; Minnesota Statutes 1993 Supplement, sections 256.031, subdivision 3; 256.73, subdivision 8; and 256.736, subdivisions 10 and 14; proposing coding for new law in Minnesota Statutes, chapters 256; and 256D; repealing Minnesota Statutes 1993 Supplement, section 256.734.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 256.01, subdivision 11, is amended to read:

Subd. 11. [CENTRALIZED DISBURSEMENT SYSTEM.] The state agency may establish a system for the centralized disbursement of food coupons, assistance payments, and related documents. Benefits shall be issued by the state or county and funded under this section according to section 256.025, subdivision 3, and subject to section 256.017.

The commissioner shall establish a statewide outreach program to better inform potential recipients of the existence and availability of food stamps under the food stamp program. The commissioner shall appoint a task force to assist in planning the outreach program. The commissioner also shall consult with the United States Department of Agriculture in the planning process and shall seek that agency's assistance in the development of any rule revisions that may be necessary to carry out the outreach program.

Sec. 2. [256.0281] [RESTRUCTURING OF PUBLIC ASSISTANCE.]

The commissioners of human services and jobs and training shall develop a plan for first-time application for aid to families with dependent children (AFDC) and family general assistance (FGA) in order to assure that, during the first six months of eligibility, first-time applicants for AFDC and FGA will receive the following in lieu of standard AFDC or FGA:

(1) immediate and enhanced job search and placement activities;

(2) if an unsubsidized job is not located within the first 60 days, or at an earlier date recommended by the commissioners, then subsidized employment in the private or public sector or a placement in a community service job that pays wages up to the value of AFDC or FGA is required;

(3) priority help in establishing child support enforcement;

(4) child care assistance for job search activities and employment;

(5) eligibility for medical care; and

(6) vendor payments for need items included in the AFDC consolidated standard of assistance under the state plan.

The commissioners shall consider to what extent exceptions should be made for:

(1) a person who is suffering from a professionally certified permanent or temporary illness, injury, or incapacity which is expected to continue for more than 30 days and which prevents the person from obtaining or retaining employment;

(2) a person whose presence in the home on a substantially continuous basis is required because of the professionally certified illness, injury, incapacity, or the age of another member of the household;

(3) a person who has been placed in, and is residing in, a licensed or certified facility for purposes of physical or mental health or rehabilitation, or in an approved chemical dependency domiciliary facility, if the placement is based on illness or incapacity and is pursuant to a plan developed or approved by the county agency through its director or designated representative;

(4) a person who resides in a shelter facility described in section 256D.05, subdivision 3;

(5) a person not described in clause (1) or (3) who is diagnosed by a licensed physician, licensed psychologist, or other qualified professional, as mentally retarded or mentally ill, and that condition prevents the person from obtaining or retaining employment;

(6) a person who has an application pending for, or is appealing termination of benefits from, the Social Security Disability program or the program of Supplemental Security Income for the aged, blind, and disabled, provided the person has a professionally certified permanent or temporary illness, injury, or incapacity which is expected to continue for more than 30 days and which prevents the person from obtaining or retaining employment;

(7) a person who is unable to obtain or retain employment because advanced age significantly affects the person's ability to seek or engage in substantial work; and

(8) a pregnant woman, if it has been medically verified that the child is expected to be born within the next six months.

The commissioners shall present to the 1995 legislature a statewide phased-in implementation plan, starting in counties designated by the commissioners which includes employability assessment criteria, feasibility of colocation of services, and a description of the modifications that the commissioners recommend. The plan must identify needed federal waivers, evaluation criteria, state plan amendments, and other approvals under the AFDC and job opportunities and basic skills (JOBS) program. The commissioner's plan must include implementation of the project by October 1, 1995, or after the necessary waivers are approved, whichever is later. The commissioners shall also provide to the legislature by February 1, 1997, a report which includes a comparison of the immediate job search project under section 35 and the project implemented under this section.

### Sec. 3. [256.0282] [RESTRUCTURING OF PROJECT STRIDE.]

The commissioners of human services and jobs and training shall develop recommendations to restructure the program entitled "success through reaching individual development and employment" (STRIDE), under sections 256.73 to 256.739, to effectively and efficiently employ AFDC recipients. The commissioners shall identify modifications necessary to implement the following principles:

(1) employment is the expected program outcome;

(2) training and education will be used primarily to enhance job skills of employed participants;

(3) adequate support services shall remain available until the recipient achieves employment that provides wages that enable the recipient to be self-sufficient;

(4) aggressive development of job markets;

(5) extended post-placement follow-up to retain current employment or move to better jobs;

(6) concurrent services which combine education and employment;

(7) within the limits of available funding, certain categories of AFDC recipients shall be required to participate in project STRIDE services after two years; and

(8) failure to participate will result in termination of assistance for noncompliant participants under the Family Support Act of 1988.

The commissioners shall present to the 1995 legislature a plan which includes specific categories for mandatory participants and a description of the modifications that the commissioners recommend within existing appropriations. The proposal must identify needed federal waivers, state plan amendments, and other approvals under the AFDC and JOBS programs.



Sec. 4. Minnesota Statutes 1993 Supplement, section 256.031, subdivision 3, is amended to read:

Subd. 3. [AUTHORIZATION FOR THE DEMONSTRATION.] (a) The commissioner of human services, in consultation with the commissioners of education, finance, jobs and training, health, and planning, and the director of the higher education coordinating board, is authorized to proceed with the planning and designing of the Minnesota family investment plan and to implement the plan to test policies, methods, and cost impact on an experimental basis by using field trials. The commissioner, under the authority in section 256.01, subdivision 2, shall implement the plan according to sections 256.031 to 256.0361 and Public Law Numbers 101-202 and 101-239, section 8015, as amended. If major and unpredicted costs to the program occur, the commissioner may take corrective action consistent with Public Law Numbers 101-202 and 101-239, which may include termination of the program. Before taking such corrective action, the commissioner shall consult with the chairs of the senate family services committee, the house health and human services committee, the health care and family services division of the senate family services and health care committees and the human services division of the house health and human services committee, or, if the legislature is not in session, consult with the legislative advisory commission.

(b) The field trials shall be conducted as permitted under federal law, for as many years as necessary, and in different geographical settings, to provide reliable instruction about the desirability of expanding the program statewide.

(c) The commissioner shall select the counties which shall serve as field trial or comparison sites based on criteria which ensure reliable evaluation of the program.

(d) The commissioner is authorized to determine the number of families and characteristics of subgroups to be included in the evaluation.

(i) A family that applies for or is currently receiving financial assistance from aid to families with dependent children; family general assistance or work readiness; or food stamps may be tested for eligibility for aid to families with dependent children or family general assistance and may be assigned by the commissioner to a test or a comparison group for the purposes of evaluating the family investment plan. A family found not eligible for aid to families with dependent children or family general assistance will be tested for eligibility for the food stamp program. If found eligible for the food stamp program, the commissioner may randomly assign the family to a test group, comparison group, or neither group. Families assigned to a test group receive benefits and services through the family investment plan. Families assigned to a comparison group receive benefits and services through existing programs. A family may not select the group to which it is assigned. Once assigned to a group, an eligible family must remain in that group for the duration of the project.

(ii) To evaluate the effectiveness of the family investment plan, the commissioner may designate a subgroup of families from the test group who shall be exempt from section 256.035, subdivision 1, and shall not receive case management services under section 256.035, subdivision 6a. Families are eligible for services under section 256.736 to the same extent as families receiving AFDC.

(e) After field trials have begun, the commissioner may extend field trials of the Minnesota family investment plan to Ramsey county with county board consent. This extension of the field trials may be executed only if permitted under federal law, and is subject to federal approval. Ramsey county shall coordinate efforts with the community when developing the service delivery plan under section 256.0361, subdivision 1.

Sec. 5. Minnesota Statutes 1992, section 256.73, is amended by adding a subdivision to read:

Subd. 3b. [ELIGIBILITY NOT BARRED BY WORKING OVER 99 HOURS; PAST EMPLOYMENT HISTORY; AND 30-DAY WAITING PERIOD.] An individual receiving assistance may work over 99 hours per month and remain eligible for assistance, provided all other requirements of the aid to families with dependent children are met. The applicant is not required to demonstrate past employment history or 30 days of prior unemployment to be eligible for AFDC-unemployed parent.

Sec. 6. Minnesota Statutes 1992, section 256.73, is amended by adding a subdivision to read:

Subd. 5a. [PARENTING OR PREGNANT MINORS; RESTRICTION ON ASSISTANCE WITH FEDERAL EXCEPTIONS.] (a) The definitions in this paragraph apply to this subdivision.

(1) "Minor parent" means an individual who:

(i) is under the age of 18;

(ii) has never been married or otherwise legally emancipated; and

(iii) is either the natural parent of a dependent child living in the same household or eligible for assistance paid to a pregnant woman under subdivision 5.

(2) "Household of a parent, legal guardian, or other adult relative" means the place of residence of:

(i) a natural or adoptive parent;

(ii) a legal guardian pursuant to appointment or acceptance under section 260.242, 525.615, or 525.6165, and related laws; or

(iii) another individual who is age 18 or over and related to the minor parent as specified in Code of Federal Regulations, title 45, section 233.90(c)(1)(v), provided that the residence is maintained as a home for the minor parent and child under Code of Federal Regulations, title 45, section 233.90(c)(1)(v)(B).

(3) "Adult-supervised supportive living arrangement" means a private family setting which assumes responsibility for the care and control of the minor parent and dependent child, or other living arrangement (not including a public institution) which ensures that the minor parent receives supportive services, such as counseling, guidance, independent living skills training, or supervision.

(b) A minor parent and the dependent child who is in the care of the minor parent must reside in the household of a parent, legal guardian, or other adult relative, or in an adult-supervised supportive living arrangement in order to receive AFDC unless:

(1) the minor parent has no living parent or legal guardian whose whereabouts is known;

(2) no living parent or legal guardian of the minor parent allows the minor parent to live in the parent's or legal guardian's home;

(3) the minor parent lived apart from the minor parent's own parent or legal guardian for a period of at least one year before either the birth of the dependent child or the parent's having made application for AFDC;

(4) the physical or emotional health or safety of the minor parent or dependent child would be jeopardized if they resided in the same residence with the minor parent's parent or legal guardian; or

(5) there is good cause for the minor parent and dependent child to receive assistance while living apart from the minor parent's parent, legal guardian, or other adult relative, or an adult supervised supportive living arrangement in that the minor parent and dependent child have, on the effective date of this section, been living independently as part of an approved social services plan for less than the one-year period required under clause (3).

(c) Minor applicants must be informed orally and in writing about the eligibility requirements and their rights and obligations under the program. The county must advise the minor of the possible exemptions and specifically ask whether one or more of these exemptions is applicable. If the minor alleges one or more of these exemptions, then the county must assist the minor in attaining the necessary verifications to ensure whether or not these exemptions apply.

(d) If the county worker has reason to suspect that the physical or emotional health or safety of the minor parent or dependent child would be jeopardized if they resided with the minor parent's parent or legal guardian, then the county worker must make a referral to child protective services to determine if paragraph (b), clause (4), applies.

(e) If a minor parent is not living with a parent or legal guardian due to paragraph (b), clause (2) or (4), the minor parent must reside, when possible, in a living arrangement that meets the standards of paragraph (a), clause (3).

(f) When a minor parent and his or her dependent child live with the minor parent's parent, legal guardian, or other adult relative, or in an adult supervised supportive living arrangement, then AFDC must be paid, when possible, in the form of a protective payment on behalf of the minor parent and dependent child in accordance with Code of Federal Regulations, title 45, section 234.60.

Sec. 7. Minnesota Statutes 1993 Supplement, section 256.73, subdivision 8, is amended to read:

Subd. 8. [RECOVERY OF OVERPAYMENTS.] (a) Except as provided in subdivision 8a, if an amount of aid to families with dependent children assistance is paid to a recipient in excess of the payment due, it shall be recoverable by the county agency. The agency shall give written notice to the recipient of its intention to recover the overpayment.

(b) When an overpayment occurs, the county agency shall recover the overpayment from a current recipient by reducing the amount of aid payable to the assistance unit of which the recipient is a member for one or more monthly assistance payments until the overpayment is repaid. All county agencies in the state shall reduce the assistance payment by three percent of the assistance unit's standard of need or the amount of the monthly payment, whichever is less, for all overpayments whether or not the overpayment is due solely to agency error. If the overpayment is due solely to having wrongfully obtained assistance, whether based on a court order, the finding of an administrative fraud disqualification hearing or a waiver of such a hearing, or a confession of judgment containing an admission of an intentional program violation, the amount of this reduction shall be ten percent. In cases when there is both an overpayment and underpayment, the county agency shall offset one against the other in correcting the payment.

(c) Overpayments may also be voluntarily repaid, in part or in full, by the individual, in addition to the above aid reductions, until the total amount of the overpayment is repaid.

(d) The county agency shall make reasonable efforts to recover overpayments to persons no longer on assistance in accordance with standards adopted in rule by the commissioner of human services. The county agency need not attempt to recover overpayments of less than \$35 paid to an individual no longer on assistance if the individual does not receive assistance again within three years, unless the individual has been convicted of fraud under section 256.98.

Sec. 8. Minnesota Statutes 1992, section 256.73, is amended by adding a subdivision to read:

Subd. 8a. [START WORK OFFSET.] An overpayment resulting from earned income received in the first month of employment is not recoverable by the county agency provided the aid to families with dependent children assistance unit has not previously received a start work offset. A "start work offset" for purposes of this subdivision is the amount of the overpayment the assistance unit would otherwise be required to pay to the county under subdivision 8. This exception to subdivision 8 is available every two years to an aid to families with dependent children assistance unit. The commissioner shall commence the payment of start work grants with families who earn their way off AFDC beginning in January 1, 1995. The commissioner shall use state appropriated funds as necessary for this grant program but shall make all best efforts to leverage federal matching funds for this grant program. The commissioner shall include the start work grant program as part of any AFDC waiver request made to the federal government subsequent to the effective date of this section.

Sec. 9. Minnesota Statutes 1992, section 256.736, subdivision 5, is amended to read:

Subd. 5. [EXTENSION OF EMPLOYMENT AND TRAINING OPPORTUNITIES.] The commissioner of human services shall cooperate with the commissioner of jobs and training and the commissioner of trade and economic development to extend the availability of training and employment opportunities on a statewide basis and to assist local employment advisory groups convened under this subdivision. The county welfare agency may convene an employment advisory group consisting of representatives from the local chamber of commerce, from major area employers, from secondary and post-secondary educational institutions in the community, and from job services offices operated by the commissioner of jobs and training under chapter 268. The county welfare agency shall work with the local employment advisory group to maximize the job opportunities for welfare clients.

Sec. 10. Minnesota Statutes 1993 Supplement, section 256.736, subdivision 10, is amended to read:

Subd. 10. [COUNTY DUTIES.] (a) To the extent of available state appropriations, county boards shall:

(1) refer all mandatory and eligible volunteer caretakers permitted to participate under subdivision 3a to an employment and training service provider for participation in employment and training services;

(2) identify to the employment and training service provider the target group of which the referred caretaker is a member;

(3) provide all caretakers with an orientation which meets the requirements in subdivisions 10a and 10b;

(4) work with the employment and training service provider to encourage voluntary participation by caretakers in the target groups;

- (5) work with the employment and training service provider to collect data as required by the commissioner;
- (6) to the extent permissible under federal law, require all caretakers coming into the AFDC program to attend orientation;
- (7) encourage nontarget caretakers to develop a plan to obtain self-sufficiency;
- (8) notify the commissioner of the caretakers required to participate in employment and training services;
- (9) inform appropriate caretakers of opportunities available through the head start program and encourage caretakers to have their children screened for enrollment in the program where appropriate;
- (10) provide transportation assistance using available funds to caretakers who participate in employment and training programs;
- (11) ensure that orientation, job search, services to custodial parents under the age of 20, educational activities and work experience for AFDC-UP families, and case management services are made available to appropriate caretakers under this section, except that payment for case management services is governed by subdivision 13;
- (12) explain in its local service unit plan under section 268.88 how it will ensure that target caretakers determined to be in need of social services are provided with such social services. The plan must specify how the case manager and the county social service workers will ensure delivery of needed services;
- (13) to the extent allowed by federal laws and regulations, provide a job search program as defined in subdivision 14, a community work experience program as defined in section 256.737, grant diversion as defined in section 256.739, and on-the-job training as defined in section 256.738. A county may also provide another work and training program approved by the commissioner and the secretary of the United States Department of Health and Human Services. Planning and approval for employment and training services listed in this clause must be obtained through submission of the local service unit plan as specified under section 268.88. A county is not required to provide a community work experience program if the county agency is successful in placing at least 40 percent of the monthly average of all caretakers who are subject to the job search requirements of subdivision 14 in grant diversion or on-the-job training program;
- (14) prior to participation, provide an assessment of each AFDC recipient who is required or volunteers to participate in an approved employment and training service. The assessment must include an evaluation of the participant's (i) educational, child care, and other supportive service needs; (ii) skills and prior work experience; and (iii) ability to secure and retain a job which, when wages are added to child support, will support the participant's family. The assessment must also include a review of the results of the early and periodic screening, diagnosis and treatment (EPSDT) screening and preschool screening under chapter 123, if available; the participant's family circumstances; and, in the case of a custodial parent under the age of 18, a review of the effect of a child's development and educational needs on the parent's ability to participate in the program;
- (15) develop an employability development plan for each recipient for whom an assessment is required under clause (14) which: (i) reflects the assessment required by clause (14); (ii) takes into consideration the recipient's physical capacity, skills, experience, health and safety, family responsibilities, place of residence, proficiency, child care and other supportive service needs; (iii) is based on available resources and local employment opportunities; (iv) specifies the services to be provided by the employment and training service provider; (v) specifies the activities the recipient will participate in, including the worksite to which the caretaker will be assigned, if the caretaker is subject to the requirements of section 256.737, subdivision 2; (vi) specifies necessary supportive services such as child care; (vii) to the extent possible, reflects the preferences of the participant; and (viii) includes a written agreement between the county agency and the caregiver that outlines a reasonable schedule for completing the plan, including specific completion deadlines, and confirms that (A) there is a market for full-time employees with this education or training where the caregiver will or is willing to reside upon completion of the program; (B) the average wage level for employees with this education or training is greater than the caregiver can earn without this education or training; (C) the caregiver has the academic ability to successfully complete the program; and (D) there is a reasonable expectation that the caregiver will complete the training program based on such factors as the caregiver's previous education, training, work history, current motivation, and changes in previous circumstances; and (ix) specifies the recipient's long-term employment goal which shall lead to self-sufficiency;

(16) obtain the written or oral concurrence of the appropriate exclusive bargaining representatives with respect to job duties covered under collective bargaining agreements to assure that no work assignment under this section or sections 256.737, 256.738, and 256.739 results in: (i) termination, layoff, or reduction of the work hours of an employee for the purpose of hiring an individual under this section or sections 256.737, 256.738, and 256.739; (ii) the hiring of an individual if any other person is on layoff from the same or a substantially equivalent job; (iii) any infringement of the promotional opportunities of any currently employed individual; (iv) the impairment of existing contracts for services or collective bargaining agreements; or (v) except for on-the-job training under section 256.738, a participant filling an established unfilled position vacancy; and

(17) assess each caretaker in an AFDC-UP family who is under age 25, has not completed high school or a high school equivalency program, and who would otherwise be required to participate in a work experience placement under section 256.737 to determine if an appropriate secondary education option is available for the caretaker. If an appropriate secondary education option is determined to be available for the caretaker, the caretaker must, in lieu of participating in work experience, enroll in and meet the educational program's participation and attendance requirements. "Secondary education" for this paragraph means high school education or education designed to prepare a person to qualify for a high school equivalency certificate, basic and remedial education, and English as a second language education. A caretaker required to participate in secondary education who, without good cause, fails to participate shall be subject to the provisions of subdivision 4a and the sanction provisions of subdivision 4, clause (6). For purposes of this clause, "good cause" means the inability to obtain licensed or legal nonlicensed child care services needed to enable the caretaker to attend, inability to obtain transportation needed to attend, illness or incapacity of the caretaker or another member of the household which requires the caretaker to be present in the home, or being employed for more than 30 hours per week.

(b) Funds available under this subdivision may not be used to assist, promote, or deter union organizing.

(c) A county board may provide other employment and training services that it considers necessary to help caretakers obtain self-sufficiency.

(d) Notwithstanding section 256G.07, when a target caretaker relocates to another county to implement the provisions of the caretaker's case management contract or other written employability development plan approved by the county human service agency, its case manager or employment and training service provider, the county that approved the plan is responsible for the costs of case management and other services required to carry out the plan, including employment and training services. The county agency's responsibility for the costs ends when all plan obligations have been met, when the caretaker loses AFDC eligibility for at least 30 days, or when approval of the plan is withdrawn for a reason stated in the plan, whichever occurs first. Responsibility for the costs of child care must be determined under chapter 256H. A county human service agency may pay for the costs of case management, child care, and other services required in an approved employability development plan when the nontarget caretaker relocates to another county or when a target caretaker again becomes eligible for AFDC after having been ineligible for at least 30 days.

Sec. 11. Minnesota Statutes 1992, section 256.737, is amended by adding a subdivision to read:

Subd. 7. [INJURY PROTECTION FOR WORK EXPERIENCE PARTICIPANTS.] (a) [COVERAGE.] Any claims or demands against any person or entity arising out of an injury or death of an AFDC or Work Readiness recipient participating in a community work experience program (CWEP) under this section or any work experience program established and operated by a county under this chapter or chapter 256D, shall be presented, heard, and determined as provided in this subdivision.

(b) [EVALUATION OF CLAIMS.] A claim under this subdivision shall be investigated by the county human services agency responsible for supervising the recipient to determine if the claim is valid. The county agency shall submit all valid claims to the department of human services. The department shall consult with the department of labor and industry in evaluating any claim for permanent partial disability and in any claim arising from the death of a participant. The department shall award an amount for reasonable medical care and the amount recommended by the department of labor and industry for permanent partial disability as impairment compensation. No amount may be awarded for pain and suffering or income maintenance.

(c) [PAYMENT OF CLAIMS.] The department shall pay any claim of \$1,000 or less as quickly as possible, but in no event more than three months from the date the participant agrees to accept settlement of the claim. A claim in excess of \$1,000 shall be paid under the legislative claim procedure. On or before the first day of the legislative session, the department shall submit to the joint senate/house subcommittee on claims a list of the claim paid during

the preceding calendar year. The department shall be reimbursed by legislative appropriation for any claims that exceed the original appropriation provided to the department to operate the program. Any unspent monies from this fund shall carry over to the second year of the biennium, and any unspent monies remaining at the end of the second year shall be returned to the state general fund.

(d) [APPEAL.] Any claim that is rejected by the department may be presented to the joint senate/house subcommittee on claims under the legislative claims procedure.

(e) [EXCLUSIVE REMEDY.] The procedure established by this section is exclusive of all other legal, equitable, and statutory remedies against the state, its political subdivisions, or employees of the state or its political subdivisions. The recipient shall not be entitled to seek damages under any state or county insurance policy or self-insurance program.

(f) [EVALUATION; REPORT.] No later than January 15, 1996, the department shall report to the chairs of the human services policy and funding committees of the senate and house of representatives on its evaluation of the implementation of this subdivision in fiscal year 1995. The department shall also examine alternative methods for providing injury protection for workers covered by this section including state operated risk pools and other forms of coverage. The department shall promptly make an interim report to the legislature of any significant problems that arise in the implementation of this subdivision.

Sec. 12. Minnesota Statutes 1992, section 256.74, is amended by adding a subdivision to read:

Subd. 6. [STUDY OF STATE SUPPLEMENTARY PAYMENTS.] The commissioner of human services shall study and report back on a plan for providing supplemental payments for recipients of aid to families with dependent children whose income is reduced or terminated as a result of a reduction in the rate of pay, reduction in numbers of hours worked, or reduction in court ordered or agreed upon support, but whose assistance under the AFDC program is not adjusted accordingly because of the operation of retrospective budgeting procedures. The amount of assistance must be sufficient to ensure that the assistance unit's income equals, but does not exceed, the standard of assistance in the aid to families with dependent children program for an assistance unit of like size and composition. A recipient shall not be eligible for supplementary assistance if the recipient voluntarily, and without good cause attributable to the employer, discontinued his or her employment with such employer or was discharged for misconduct connected with work or for misconduct which interferes with or adversely affects employment. The commissioner's report shall provide information on the projected number of families likely to be eligible for supplementary payments during the 1996-1997 biennium; and on the costs, including administrative costs, of making those payments to eligible recipients. The report shall be presented to the legislature by February 15, 1995.

Sec. 13. Minnesota Statutes 1992, section 256.81, is amended to read:

#### 256.81 [COUNTY AGENCY, DUTIES.]

(1) The county agency shall keep such records, accounts, and statistics in relation to aid to families with dependent children as the state agency shall prescribe.

(2) Each grant of aid to families with dependent children shall be paid to the recipient by the county agency unless paid by the state agency. Payment must be by check or electronic means except in those instances in which the county agency, subject to the rules of the state agency, determines that payments for care shall be made to an individual other than the parent or relative with whom the dependent child is living or to vendors of goods and services for the benefit of the child because such parent or relative is unable to properly manage the funds in the best interests and welfare of the child. There is a presumption of mismanagement of funds whenever a recipient is more than 30 days in arrears on payment of rent. In cases of mismanagement based solely on failure to pay rent, the county may vendor the rent payments to the landlord. At the request of a recipient, the state or county may make payments directly to vendors of goods and services, but only for goods and services appropriate to maintain the health and safety of the child, as determined by the county.

(3) The state or county may ask the recipient to give written consent authorizing the state or county to provide advance notice to a vendor before vendor payments of rent are reduced or terminated. Whenever possible under state and federal laws and regulations and if the recipient consents, the state or county shall provide at least 30 days notice to vendors before vendor payments of rent are reduced or terminated. If 30 days notice cannot be given, the state or county shall notify the vendor within three working days after the date the state or county becomes aware that vendor payments of rent will be reduced or terminated. When the county notifies a vendor that vendor payments

of rent will be reduced or terminated, the county shall include in the notice that it is illegal to discriminate on the grounds that a person is receiving public assistance and the penalties for violation. The county shall also notify the recipient that it is illegal to discriminate on the grounds that a person is receiving public assistance and the procedures for filing a complaint. The county agency may develop procedures, including using the MAXIS system, to implement vendor notice and may charge vendors a fee not exceeding \$5 to cover notification costs.

(4) A vendor payment arrangement is not a guarantee that a vendor will be paid by the state or county for rent, goods, or services furnished to a recipient, and the state and county are not liable for any damages claimed by a vendor due to failure of the state or county to pay or to notify the vendor on behalf of a recipient, except under a specific written agreement between the state or county and the vendor or when the state or county has provided a voucher guaranteeing payment under certain conditions.

(5) The county shall be paid from state and federal funds available therefor the amount provided for in section 256.82.

(6) Federal funds available for administrative purposes shall be distributed between the state and the counties in the same proportion that expenditures were made except as provided for in section 256.017.

(7) The commissioner and affected county may require that assistance paid under the aid to families with dependent children emergency assistance program in the form of a rental unit damage deposit, less any amount retained by the landlord to pay for property damage, be returned to the county when the assistance unit vacates the premises. The damage deposit funds shall be returned to the county only in those cases where the recipient will need the funds to secure a new rental, in which case the funds shall be paid to the recipient's new landlord as a vendor payment.

Sec. 14. Minnesota Statutes 1993 Supplement, section 256.87, subdivision 1, is amended to read:

Subdivision 1. [ACTIONS AGAINST PARENTS AND FINANCIALLY RESPONSIBLE GRANDPARENTS FOR ASSISTANCE FURNISHED.] For the purposes of this section, a financially responsible grandparent is a natural or adoptive parent of a minor whose dependent child is not living in the grandparents' home. This responsibility can extend to either maternal or paternal grandparents. A minor for purposes of this section is anyone not legally emancipated. A parent or financially responsible grandparent of a child is liable for the amount of assistance furnished under sections 256.031 to 256.0361, 256.72 to 256.87, or under Title IV-E of the Social Security Act or medical assistance under chapter 256, 256B, or 256D to and for the benefit of the child, including any assistance furnished for the benefit of the caretaker of the child, which the parent or financially responsible grandparent has had the ability to pay. The parent's ability to pay must be determined according to chapter 518. The financially responsible grandparent's ability to pay may be determined according to chapter 518. The parent's or financially responsible grandparent's liability is limited to the two years immediately preceding the commencement of the action, except that where child support has been previously ordered, the state or county agency providing the assistance, as assignee of the obligee, shall be entitled to judgments for child support payments accruing within ten years preceding the date of the commencement of the action up to the full amount of assistance furnished. The action may be ordered by the state agency or county agency and shall be brought in the name of the county by the county attorney of the county in which the assistance was granted, or by the state agency against the parent or financially responsible grandparent for the recovery of the amount of assistance granted, together with the costs and disbursements of the action. The provisions of this subdivision do not apply if the income of the financially responsible grandparent has already been used to determine the child's eligibility for public assistance.

Sec. 15. Minnesota Statutes 1993 Supplement, section 256.87, subdivision 1a, is amended to read:

Subd. 1a. [CONTINUING SUPPORT CONTRIBUTIONS.] In addition to granting the county or state agency a money judgment, the court may, upon a motion or order to show cause, order continuing support contributions by a parent or financially responsible grandparent found able to reimburse the county or state agency. The order shall be effective for the period of time during which the recipient receives public assistance from any county or state agency and thereafter. The order shall require support according to chapter 518. The financially responsible grandparent's ability to pay may be determined according to chapter 518. An order for continuing contributions is reinstated without further hearing upon notice to the parent or financially responsible grandparent by any county or state agency that assistance is again being provided for the child of the parent or financially responsible grandparent under sections 256.031 to 256.0361, 256.72 to 256.87, or under Title IV-E of the Social Security Act or medical assistance under chapter 256, 256B, or 256D. The notice shall be in writing and shall indicate that the parent or financially responsible grandparent may request a hearing for modification of the amount of support or maintenance.

Sec. 16. Minnesota Statutes 1993 Supplement, section 256.87, subdivision 5, is amended to read:

Subd. 5. [CHILD NOT RECEIVING ASSISTANCE.] A person or entity having physical and legal custody of a dependent child not receiving assistance under sections 256.72 to 256.87 has a cause of action for child support against the child's absent parents or absent financially responsible grandparent. Upon an order to show cause and a motion served on the absent parent or absent financially responsible grandparent, the court shall order child support payments from the absent parent under chapter 518. The absent financially responsible grandparent's ability to pay may be determined according to chapter 518. The commissioner must report to the chairs of the human services policy and funding committees of the legislature by January 1, 1996, on the implementation of the amendments to this subdivision, and to subdivisions 2 and 2a, relating to grandparent responsibility.

Sec. 17. Minnesota Statutes 1992, section 256.979, is amended by adding a subdivision to read:

Subd. 9. [ACCRUAL OF SUPPORT OBLIGATIONS.] The commissioner of human services shall seek a waiver from the secretary of the Department of Health and Human Services to enable the agency to accrue child support payments received on behalf of both AFDC and non-AFDC clients until the sum total of the money owed by the state agency to the client is at least \$10. Obligors shall be assessed a processing fee of \$10 to be retained by the county agency in every instance when both of the following conditions exist:

- (1) the obligor pays less than the required monthly support obligation; and
- (2) that reduced payment would result in a child support payment to an AFDC or non-AFDC client of less than \$10 for that month.

Sec. 18. Minnesota Statutes 1992, section 256.983, subdivision 1, is amended to read:

Subdivision 1. [PROGRAMS ESTABLISHED.] Within the limits of available appropriations, and to the extent required or authorized by applicable federal regulations, the commissioner of human services shall require the establishment of fraud prevention investigation programs in the seven counties participating in the fraud prevention investigation pilot project established under section 256.983, and in 11 additional Minnesota counties with the largest aid to families with dependent children program caseloads as of July 1, 1991. If funds are sufficient, the commissioner may also extend fraud prevention investigation programs to: (1) other counties that have welfare fraud control programs already in place based on enhanced funding contracts covering the fraud investigation function; and (2) counties that have the largest aid to families with dependent children caseloads as of July 1, 1993, and are not currently participating in the fraud prevention investigation pilot project. The pilot project may be expanded provided the expansion is budget neutral to the state.

Sec. 19. [256.9850] [IDENTITY VERIFICATION.]

The commissioner of human services shall seek from the secretary of health and human services all necessary waivers of the requirements of the program of aid to families with dependent children, to enable the commissioner to establish a statewide program to test the effectiveness of identity verification systems in the electronic benefit transfer systems in the state AFDC program. Identity verification provisions shall be added to the statewide requests for proposal on the expansion of electronic benefit transfer systems in the AFDC program.

Sec. 20. Minnesota Statutes 1992, section 256D.05, subdivision 6, is amended to read:

Subd. 6. [ASSISTANCE FOR PERSONS WITHOUT A VERIFIED RESIDENCE.] (a) For applicants or recipients of general assistance, emergency general assistance, or work readiness assistance who do not have a verified residence address, the county agency may provide assistance using one or more of the following methods:

- (1) the county agency may provide assistance in the form of vouchers or vendor payments and provide separate vouchers or vendor payments for food, shelter, and other needs;
- (2) the county agency may divide the monthly assistance standard into weekly payments, whether in cash or by voucher or vendor payment. Nothing in this clause prevents the county agency from issuing voucher or vendor payments for emergency general assistance in an amount less than the standards of assistance; and
- (3) the county agency may determine eligibility and provide assistance on a weekly basis. Weekly assistance can be issued in cash or by voucher or vendor payment and can be determined either on the basis of actual need or by prorating the monthly assistance standard.



(b) An individual may verify a residence address by providing a driver's license; a state identification card; a statement by the landlord, apartment manager, or homeowner verifying that the individual is residing at the address; or other written documentation approved by the commissioner.

(c) Notwithstanding the provisions of section 256D.06, subdivision 1, if the county agency elects to provide assistance on a weekly payment basis, the agency may not provide assistance for a period during which no need is claimed by the individual unless the individual has good cause for failing to claim need. The individual must be notified, each time weekly assistance is provided, that subsequent weekly assistance will not be issued unless the individual claims need. The advance notice required under section 256D.10 does not apply to weekly assistance that is withheld because the individual failed to claim need without good cause.

(d) The county agency may not issue assistance on a weekly basis to an applicant or recipient who has professionally certified mental illness or mental retardation or a related condition, or to an assistance unit that includes minor children, unless requested by the assistance unit.

(4) for the purposes of clauses (2) and (3), the county agency may divide the monthly assistance standard as follows: \$50 per week for each of the first three weeks, and the remainder for the fourth week.

Sec. 21. Minnesota Statutes 1992, section 256D.09, is amended by adding a subdivision to read:

Subd. 5. [VENDOR PAYMENTS TO LANDLORDS.] The commissioner and affected county may require that assistance paid under the emergency general assistance program in the form of a rental unit damage deposit, less any amount retained by the landlord to pay for property damage, be returned to the county when the recipient vacates the premises. The damage deposit funds shall be returned to the county only in those cases where the recipient will need the funds to secure a new rental, in which case the funds shall be paid to the recipient's new landlord as a vendor payment.

Sec. 22. Minnesota Statutes 1992, section 256D.09, is amended by adding a subdivision to read:

Subd. 6. [RECOVERY OF OVERPAYMENTS.] (a) If an amount of general assistance, family general assistance, or work readiness assistance is paid to a recipient in excess of the payment due, it shall be recoverable by the county agency. The agency shall give written notice to the recipient of its intention to recover the overpayment.

(b) When an overpayment occurs, the county agency shall recover the overpayment from a current recipient by reducing the amount of aid payable to the assistance unit of which the recipient is a member, for one or more monthly assistance payments, until the overpayment is repaid. All county agencies in the state shall reduce the assistance payment by three percent of the assistance unit's standard of need or the amount of the monthly payment, whichever is less, for all overpayments whether or not the overpayment is due solely to agency error. The amount of this reduction is ten percent, if the overpayment is due solely to having wrongfully obtained assistance, whether based on:

(1) a court order;

(2) the finding of an administrative fraud disqualification hearing or the waiver of such a hearing; or

(3) a confession of judgment containing an admission of an intentional program violation.

In cases when there is both an overpayment and underpayment, the county agency shall offset one against the other in correcting the payment.

(c) Overpayments may also be voluntarily repaid, in part or in full, by the individual, in addition to the aid reductions provided in this subdivision, until the total amount of the overpayment is repaid.

(d) The county agency shall make reasonable efforts to recover overpayments to persons no longer on assistance under standards adopted in rule by the commissioner of human services. The county agency need not attempt to recover overpayments of less than \$35 paid to an individual no longer on assistance if the individual does not receive assistance again within three years, unless the individual has been convicted of violating section 256.98.

Sec. 23. Minnesota Statutes 1992, section 256H.03, subdivision 2b, is amended to read:

Subd. 2b. [FUNDING PRIORITY.] (a) First priority must be given to parents who have completed their first AFDC transition year.

(b) Second priority for child care assistance under the basic sliding fee program must be given to eligible non-AFDC families who do not have a high school or general equivalency diploma or who need remedial and basic skill courses in order to pursue employment or to pursue education leading to employment. Within this priority, the following subpriorities must be used:

- (1) child care needs of minor parents;
- (2) child care needs of parents under 21 years of age; and
- (3) child care needs of other parents within the priority group described in this paragraph.

~~(b) Second priority must be given to parents who have completed their AFDC transition year.~~

Sec. 24. Minnesota Statutes 1992, section 256H.05, subdivision 1b, is amended to read:

Subd. 1b. [ELIGIBLE RECIPIENTS.] Families eligible for guaranteed child care assistance under the AFDC child care program are:

- (1) persons receiving services under section 256.736;
- (2) AFDC recipients who are employed;
- (3) persons who are members of first year transition year families under section 256H.01, subdivision 16;
- (4) members of the control group for the STRIDE evaluation conducted by the Manpower Demonstration Research Corporation; and
- (5) AFDC caretakers who are participating in the non-STRIDE AFDC child care program; and
- (6) persons participating in the immediate job search pilot project in Hennepin and Otter Tail counties.

Sec. 25. Minnesota Statutes 1992, section 268.672, subdivision 6, is amended to read:

Subd. 6. [ELIGIBLE JOB APPLICANT.] "Eligible job applicant" means a person who: (1) has been a resident of this state for at least one month, (2) is unemployed, (3) is not receiving and is not qualified to receive unemployment compensation or workers' compensation, and (4) is determined to be likely to be available for employment by an eligible employer for the duration of the job, and (5) is participating in the immediate job search pilot project in Hennepin and Otter Tail counties.

For the purposes of this subdivision, a farmer or any member of a farm family household who can demonstrate severe household financial need must be considered unemployed.

Sec. 26. Minnesota Statutes 1992, section 268.6751, is amended by adding a subdivision to read:

Subd. 3. [PILOT PROJECT SUBSIDIES.] The commissioner shall allocate wage subsidy funds for pilot project programs related to welfare reform. The commissioner shall allocate funds to counties selected to participate in pilot projects by determining each county's proportionate share of AFDC and family general assistance cases.

Sec. 27. [STUDY AND REPORT.]

The commissioner of human services shall report to the chairs of the human services policy and funding committees of the legislature by January 15, 1995, recommendations for establishing a statewide employment and training program for unemployed noncustodial parents modeled after the national parent's fair share pilot project. The report shall include cost estimates and must be developed in consultation with the departments of trade and economic development and jobs and training, and with counties that participate in the national pilot project and other interested counties.

Sec. 28. [STUDY OF STATE STANDARD OF NEED.]

The commissioner shall conduct a study of, and make recommendations on, the state standard of need and payment levels in the AFDC program. The study shall be conducted in accordance with the requirements of federal law and the requirements of this section. In conducting the study the commissioner shall make detailed findings on

the cost of the following in Minnesota: shelter, food, clothing, fuel, transportation, and other basic needs. The commissioner shall also consider regional differences within the state in determining the cost of items included in the standard of need budget. In all cost estimates, the commissioner shall take into account the ages of the AFDC recipients, most specifically the fact that most of the recipients are children whose needs, particularly for food and clothing items, may exceed that of adults. The commissioner shall also examine various options for enabling working families on AFDC to retain more of their earnings, including the option of increasing the state standard of need, alone, or in concert with various "fill-the-gap" budgeting systems that could be used to determine assistance levels for working AFDC families. The commissioner shall present the report with recommendations to the chairs of the human services policy and funding committees of the legislature by February 15, 1995.

Sec. 29. [CHILD CARE COOPERATIVES STUDY.]

The commissioner of human services shall determine the feasibility of operation and use of child care cooperatives by AFDC recipients who are working or attending school.

The commissioner shall present to the 1995 legislature the results of the determination and statewide phased-in implementation plan starting with counties designated by the commissioner, but including at a minimum, at least one rural and one metro county. The plan must ensure parental choice of a provider that best suits the family needs, identify evaluation criteria, state plan amendments, state legislation waivers, and all other information that is necessary to implement the plan.

Sec. 30. [CONSULT AND PROVIDE INFORMATION ON CHANGES NEEDED IN FEDERAL PROGRAMS.]

The commissioner of human services, in consultation with the commissioners of jobs and training and the Minnesota housing finance agency, shall consult with appropriate federal agencies about changes needed in federal law:

(1) to expand federal Housing and Urban Development (HUD) public housing programs to better meet the needs of homeless families;

(2) to improve the fit of supplemental security income (SSI) programs with the aid to families with dependent children (AFDC) program; and

(3) to create a national standard of need and a national formula for benefit payments in the program of aid to families with dependent children.

The commissioner of human services shall provide information on the results of these consultations to the chairs of the human services policy and funding committees of the legislature by February 15, 1995, with recommendations.

Sec. 31. [JOINT EFFORT; INCENTIVES TO WORK.]

The departments of human services and revenue must jointly design a plan which provides the following monetary supplements on a monthly basis to working families: federal and state earned income tax credits, renters credit/housing subsidy, dependent care credit. The commissioner shall report the recommendations in the plan to the chairs of the human services policy and funding committees of the legislature by January 1, 1995.

Sec. 32. [STUDY OF WORK FIRST AND IMMEDIATE JOB SEARCH PROPOSALS.]

The commissioners of the departments of human services and jobs and training shall examine the requirements of sections 2 and 35 and, in consultation with Hennepin county, Otter Tail county, and other counties, to develop recommendations to merge the different approaches in the two sections into a single program. The commissioners shall submit the recommendations to the legislature by January 15, 1995. The recommendations shall include implementation in at least both counties in the 1995 fiscal year and allow flexibility among counties in designing the types of service, employment programs, and delivery systems to fit local conditions and priorities. The recommendations must also identify needed federal waivers, evaluation criteria, state plan amendments, and other actions needed to implement the recommendations.

Sec. 33. [PARENTS' FAIR SHARE; MANDATORY COMMUNITY WORK EXPERIENCE.]

The parents' fair share (PFS) pilot project shall include a mandatory community work experience component for participants who fail to comply with other requirements of the pilot project.

## Sec. 34. [FEDERAL WAIVER PACKAGE.]

Subdivision 1. [REQUEST.] The department of human services shall make a single request for the waivers listed in this section to the United States Department of Health and Human Services. The waivers in the package support and encourage AFDC recipients to move from reliance on welfare to self-sufficiency. The commissioner shall explore alternatives to the waiver evaluation process, which is required by the federal government, in an effort to reduce costs of the evaluation, and develop a cost-effective evaluation process for the waiver package in this section. The commissioner shall investigate the feasibility of the following: one evaluation for the entire waiver package, consolidation of evaluation efforts for the same or similar waiver with another state, completion of the evaluation internally, possibly by the office of legislative auditor, and other alternatives. The commissioner shall also notify the revisor of statutes when each waiver is approved by the federal government.

Subd. 2. [WAIVER TO DISALLOW PARENTAL INCOME OF A PREGNANT OR PARENTING MINOR LIVING WITH PARENTS.] The commissioner shall seek a waiver from the filing unit requirement, Code of Federal Regulations, title 45, section 206.10(a)(1)(vii), for minor parents who live with a parent who is on AFDC with other dependent children so that the minor can get the same separate need standard as they would get if the parent were not on AFDC. The commissioner shall also seek a waiver to disregard all parental income if the parent is on AFDC with other children; and if the parent is not on AFDC with other children, to disregard 150 percent of the federal poverty guideline and deem the remainder of income under Code of Federal Regulations, title 45, section 233.20(a)(3)(xviii), provided the parental income does not exceed 150 percent of poverty. If the commissioner experiences barriers or complications in preparing the waiver under this subdivision, the commissioner shall report back to the legislature for clarification. This should not delay the requests for the other waivers under this section. The commissioner shall also explore how the waivers under this subdivision will affect other programs, and report to the legislature potential waivers to provide necessary consistency across programs. The general policy in requesting these waivers is to keep the family intact and give the minor parent, the dependent child, and the grandparent an incentive to continue living together as a family. That incentive is providing the minor parent with a grant, probably based on a two-child standard, without taking a grant away from the grandparent. These waivers encourage a minor parent to remain living with the parent by reducing the barriers to receiving assistance. The waiver authorized by this subdivision shall not be implemented until after January 1, 1995.

Subd. 3. [WAIVER OF THE 100-HOUR RULE; WORK HISTORY REQUIREMENT; 30-DAY WAITING PERIOD REQUIREMENT.] The commissioner shall seek a waiver to eliminate the 100-hour rule under Code of Federal Regulations, title 45, section 233.100(a)(1)(i); the eligibility requirement for past employment history under Code of Federal Regulations, title 45, section 233.100(a)(3)(iii); and the requirement for a 30-day waiting period under Code of Federal Regulations, title 45, section 233.100(a)(3)(i).

Subd. 4. [WAIVER OF MOTOR VEHICLE RESOURCE LIMIT.] The commissioner shall seek a waiver to increase the maximum equity value of a licensed motor vehicle, which can be excluded as a resource under the federal regulations, from \$1,500 to the level permitted under the federal Food Stamp Program. This waiver is essential for AFDC recipients who need reliable transportation to participate in education, work, and training to become self-sufficient.

Subd. 5. [WAIVER TO ALLOW STUDENTS TO EARN INCOME WITHOUT AFFECTING THE PARENT AFDC GRANT AND ALLOW A SEPARATE SAVINGS ACCOUNT FOR EDUCATION AND EMPLOYMENT NEEDS.] The commissioner shall seek a waiver of the federal regulation which includes the earned income of dependent children and minor caretakers who are attending school at least half-time when determining eligibility for AFDC. The commissioner shall also seek a waiver which allows savings set aside in a separate account specifically for future education or employment needs be excluded from the AFDC resource limits.

Subd. 6. [PARENTING SKILLS TRAINING; WAIVER FOR BONUS.] The commissioner of human services shall seek a waiver of federal requirements in the program of aid to families with dependent children to enable Hennepin county to provide and fund a special one-time bonus of \$50 to both the custodial and noncustodial parent in recipient families who attend a county-approved program of ten hours or more in parent skills training. This waiver shall be part of the waiver request described in section 35, and if approved, shall be implemented in Hennepin county on the same time schedule as section 35.

Subd. 7. [IMPLEMENTATION.] The commissioner shall notify the chairs of the human services policy and funding committees of the senate and house of representatives when the waivers authorized by this section are received. The commissioner shall provide details on the substance of the federal requirements for each waiver received. No waiver shall be implemented until approved by the legislature.

Subd. 8. [STUDY OF WORK INCENTIVE FOR EMPLOYED DISABLED PERSONS.] The commissioner shall analyze the cost of a work incentive for disabled persons eligible for medical assistance who are not residents of long-term care facilities. The work incentive shall be a medical assistance earned income disregard for employed disabled persons equivalent to the threshold amount applied to persons who qualify under section 1619(b) of the Social Security Act, except that when a disabled person's earned income reaches the maximum income permitted at the threshold under section 1619(b), the person shall retain medical assistance eligibility and must contribute to the costs of medical care on a sliding fee basis. The commissioner shall report back to the chairs of the human services policy and funding committees of the legislature by February 15, 1995, on the cost of this work incentive with timetables for implementation.

Sec. 35. [IMMEDIATE JOB SEARCH; PILOT PROJECT.]

Subdivision 1. [PILOT PROJECT.] Hennepin county and Otter Tail county shall develop and implement a pilot project which requires AFDC and family general assistance recipients not previously entered on the MAXIS computer system to begin immediate job search.

Subd. 2. [PROGRAM REQUIREMENTS.] (a) Recipients who become eligible for assistance on or after January 1, 1995, in Otter Tail county and on or after October 1, 1995, in Hennepin county, or after necessary waivers have been obtained, whichever occurs later, shall be screened by a financial eligibility worker as follows:

(1) recipients who have serious barriers to employment and may be eligible for Supplemental Security Income shall be referred for a Supplemental Security Income assessment according to the procedures in Minnesota Statutes, section 256D.06, subdivision 7; and

(2) all other recipients shall immediately participate in the existing job search program in the county for up to 60 days, except:

(i) those persons exempt under Minnesota Statutes, section 256.736, subdivision 14, provided that the exemption for a caretaker providing full-time care for the child is only available while the child is under the age of one; and

(ii) persons participating in the Minnesota family investment program under Minnesota Statutes, section 256.033.

(b) Participation in job search under paragraph (a) is a condition of eligibility for AFDC and family general assistance.

(c) Recipients under paragraph (a), clause (2), that have not become employed within 60 days may be referred to a multidisciplinary team of qualified professionals for an employability development plan which:

(i) will take into account the needs of the recipient's physical capacity, skills, experience, health and safety, family responsibilities, place of residence, proficiency, child care, and other support service needs;

(ii) is based on available resources and local employment opportunities;

(iii) specifies the services to be provided by the employment and training service provider;

(iv) specifies the activities the recipient will participate in, including the worksite to which the caretaker will be assigned, if the caretaker is subject to the requirements of Minnesota Statutes, section 256.737, subdivision 2;

(v) specifies necessary supportive services such as child care; and

(vi) to the extent possible, reflects the preferences of the participant. The employability development plan must be completed 90 days after applying for assistance.

(d) Recipients who are successful in gaining employment during job search are eligible for job-related child care until they qualify for sliding fee child care assistance.

(e) Recipients who have not become employed after completing their employability plan may be referred to the emergency jobs program under Minnesota Statutes, section 268.673.

Subd. 3. [WAGE SUBSIDY FOR PILOT PROJECT.] For the purposes of this pilot project, the wage subsidy funding under Minnesota Statutes, section 268.6751, must be allocated to Hennepin and Otter Tail counties by determining the number of AFDC and family general assistance cases in each county as a percentage of the total AFDC and family general assistance state caseload, provided that the total appropriation for this purpose shall be allocated to the rural county until October 1, 1995. The appropriation may be used for persons in any stage of the pilot project.

Subd. 4. [PRIORITIZATION OF CLIENTS.] The project must include criteria to prioritize clients if sufficient funds are not available to serve all eligible clients.

Subd. 5. [WORKER DISPLACEMENT PROHIBITED.] (a) For purposes of work performed by an individual with an employer whose employees are covered by a collective bargaining agreement, a pilot project county must obtain the written concurrence of the appropriate exclusive bargaining representative with respect to the individual's job duties to ensure that no work performed results in:

- (1) termination, layoff, or reduction of the work hours of an employee for the purpose of hiring an individual;
- (2) the hiring of an individual if any other person is on layoff from the same or a substantially equivalent job;
- (3) any infringement of the promotional opportunities of any currently employed individual;
- (4) the impairment of existing contracts for service or collective bargaining agreements; or

(5) except for on-the-job training, a participant filling an established unfilled position vacancy. Work established under this pilot project must also result in an increase in employment opportunities over those which would otherwise be available.

(b) For purposes of this section a pilot project county and bargaining units representing public employees may enter into agreements that provide for the training of individuals, on-the-job experience, or work experience training provided that such arrangements result in permanent employment. If the permanent employment is with a public employer, wages and benefits must be provided according to collectively bargained agreements.

Subd. 6. [PUBLIC WORKS.] The commissioners of the department of jobs and training and the department of human services shall work with Hennepin and Otter Tail counties to develop a plan to implement a public works employment program that requires:

(1) the development of a public works employment project and the creation of a public works labor force pool of program recipients who may be contracted to other taxing jurisdictions, agencies, and companies to provide a range of employment;

(2) a long-term economic impact statement to empirically measure the economic benefits of public employment efforts on the property tax base, new income tax revenue, reductions in crime rates, and other criteria; and

(3) public works employment to focus on projects that address the core factors leading to poverty, that improve property values, reduce welfare dependency, and that improve housing and reduce crime.

Subd. 7. [REPORT.] The commissioner shall provide to the chairs of the human services policy and funding committees of the legislature by February 1, 1997, a progress report on the pilot project. The report must include recommendations on whether the project should be continued.

#### Sec. 36. [APPROPRIATIONS.]

Subdivision 1. [APPROPRIATIONS.] The appropriations in this section, except for subdivision 10, are from the general fund to the commissioner of human services and are available for the fiscal year ending June 30, 1995, and are added to or subtracted from the appropriation in Laws 1993, First Special Session chapter 1, article 1, section 2.

Subd. 2. [PARENT'S FAIR SHARE PILOT PROJECT.] \$500,000 is appropriated for the following purposes:

(a) \$300,000 for a grant to Ramsey county to enable the county to participate in the parent's fair share pilot project. This money is available only if Ramsey county is accepted for participation in the national pilot project. As a condition of this grant, the commissioner may require a local match from the county.

(b) \$50,000 each added to the appropriations to Anoka and Dakota counties for costs associated with the parent's fair share pilot project.

(c) \$100,000 for costs associated with the mandatory community work experience component of the parents' fair share pilot project.

Subd. 3. [FOOD STAMP OUTREACH.] \$125,000 is appropriated to the commissioner of human services for the food stamp outreach program authorized by Minnesota Statutes, section 256.01, for the period beginning January 1, 1995, and ending June 30, 1996, for the following purposes:

(1) paying the expenses of planning and implementing the food stamp outreach program; and

(2) in those counties where only 15 to 30 percent of persons below 125 percent of the poverty level are participating in the food stamp program, contracting with community organizations and groups to conduct food stamp outreach programs. These programs should include one or more of the following objectives:

(i) provision of program referrals and program literature;

(ii) provision of support for the reduction of any stigma that may be attached to working with public assistance program administrators and clients;

(iii) provision of leadership in developing better understanding and greater acceptance of public assistance programs, including food stamps; and

(iv) provision of necessary and allowable expenses of persons participating in any food plan outreach program task force established by the commissioner.

Subd. 4. [BASIC SLIDING FEE PROGRAM.] \$5,792,000 is added to the appropriation for the basic sliding fee program established under Minnesota Statutes, section 256H.03.

Subd. 5. [CWEP.] \$149,000 is appropriated to pay for costs associated with the claims arising from CWEP, established under Minnesota Statutes, section 256.737.

Subd. 6. [SOCIAL SERVICES EVALUATION.] \$330,000 is appropriated to pay for county costs associated with minor caretaker evaluations.

Subd. 7. [FRAUD PREVENTION INVESTIGATION PROGRAM.] \$250,000 is added to the appropriation to expand the number of counties participating in the fraud prevention investigation program.

Subd. 8. [IMMEDIATE JOB SEARCH; PILOT PROJECT.] \$22,000 is appropriated to pay for additional employment and training costs associated with the immediate job search pilot project.

Subd. 9. [CHILD CARE COOPERATIVES STUDY.] \$15,000 is appropriated for the child care cooperatives study and plan implementation.

Subd. 10. [HUMAN SERVICES ADMINISTRATION.] \$764,000 is appropriated to pay for administrative costs.

Subd. 11. [WAGE SUBSIDY.] \$100,000 is appropriated from the general fund to the commissioner of jobs and training and is available for the fiscal year ending June 30, 1995, for wage subsidies associated with the immediate job search pilot project.

Subd. 12. [DISPLACED HOMEMAKERS.] \$225,000 is appropriated to the commissioner of jobs and training for the purpose of funding programs for displaced homemakers under Minnesota Statutes, section 268.96.

Sec. 37. [REPEALER.]

Minnesota Statutes 1993 Supplement, section 256.734, is repealed.

Sec. 38. [EFFECTIVE DATE.]

Section 8 [pregnant minors to live at home] is effective October 1, 1994. Section 28 [state standard of need study] is effective the day after final enactment."

Delete the title and insert:

"A bill for an act relating to welfare reform; requiring pregnant and parenting minors to live with their parents in order to receive aid to families with dependent children (AFDC); providing an exception to the AFDC overpayment statute; allowing start work offset to AFDC recipients in the first month of work; allowing vendor emergency assistance payments for damage deposit; providing required injury protection for community work experience program workers; expanding cost-neutral fraud prevention programs; allowing emergency assistance damage deposit be returned to the county; allowing the county to pay monthly general assistance differently; making general assistance and work readiness recoupment of overpayments the same as the AFDC lump-sum criteria, with some exceptions; requiring a study to expand the parent's fair share pilot project statewide; requiring the departments of human services and revenue to design and implement a plan which supports working families; directing the commissioner of human services to seek several waivers from the federal government which support and promote moving off welfare and becoming self-sufficient; expanding the parent's fair share pilot project into Ramsey county; expanding state support for basic sliding fee day care program; directing the commissioners of jobs and training and human services to plan and implement a public works employment program; appropriating money; amending Minnesota Statutes 1992, sections 256.01, subdivision 11; 256.73, by adding subdivisions; 256.736, subdivision 5; 256.737, by adding a subdivision; 256.74, by adding a subdivision; 256.81; 256.979, by adding a subdivision; 256.983, subdivision 1; 256D.05, subdivision 6; 256D.09, by adding subdivisions; 256H.03, subdivision 2b; 256H.05, subdivision 1b; 268.672, subdivision 6; and 268.6751, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 256.031, subdivision 3; 256.73, subdivision 8; 256.736, subdivision 10; and 256.87, subdivisions 1, 1a, and 5; proposing coding for new law in Minnesota Statutes, chapter 256; repealing Minnesota Statutes 1993 Supplement, section 256.734."

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.

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

S. F. No. 2015, A bill for an act relating to metropolitan government; providing for a regional administrator and a management team; imposing organizational requirements; imposing duties; clarifying existing provisions and making conforming changes; amending Minnesota Statutes 1992, sections 6.76; 15.0597, subdivision 1; 15A.081, subdivision 7; 15A.082, subdivision 3; 16B.58, subdivision 7; 116.16, subdivision 2; 116.182, subdivision 1; 161.173; 161.174; 169.781, subdivision 1; 169.791, subdivision 5; 169.792, subdivision 11; 221.022; 221.041, subdivision 4; 221.071, subdivision 1; 221.295; 297B.09, subdivision 1; 352.03, subdivision 1; 352.75; 422A.01, subdivision 9; 422A.101, subdivision 2a; 471A.02, subdivision 8; 473.121, subdivisions 5a and 24; 473.123, subdivisions 1, 2a, and 4; 473.129; 473.13, subdivision 4; 473.146, subdivisions 1 and 4; 473.149, subdivision 3; 473.1623, subdivision 2; 473.164; 473.168, subdivision 2; 473.173, subdivisions 3 and 4; 473.223; 473.303, subdivisions 2, 3a, 4, 4a, 5, and 6; 473.371, subdivision 1; 473.375, subdivisions 11, 12, 13, 14; and 15; 473.382; 473.384, subdivisions 1, 3, 4, 5, 6, 7, and 8; 473.385; 473.386, subdivisions 1, 2, 3, 4, 5, and 6; 473.387, subdivisions 2, 3, and 4; 473.388, subdivisions 2, 3, 4, and 5; 473.39, subdivisions 1, 1a, 1b, and by adding a subdivision; 473.391; 473.392; 473.394; 473.399, as amended; 473.405, subdivisions 1, 3, 4, 5, 9, 10, 12, and 15; 473.408, subdivisions 1, 2, 2a, 4, 6, and 7; 473.409; 473.411, subdivisions 3 and 4; 473.415, subdivisions 1, 2, and 3; 473.416; 473.418; 473.42; 473.436, subdivisions 2, 3, and 6; 473.446, subdivisions 1, 1a, 2, 3, and 7; 473.448; 473.449; 473.504, subdivisions 4, 5, 6, 9, 10, 11, and 12; 473.511, subdivisions 1, 2, 3, and 4; 473.512, subdivision 1; 473.513; 473.515, subdivisions 1, 2, and 3; 473.5155, subdivisions 1 and 3; 473.516, subdivisions 2, 3, 4, and 5; 473.517, subdivisions 1, 2, 3, 6, and 9; 473.519; 473.521, subdivisions 1, 2, 3, and 4; 473.523, subdivisions 1 and 2; 473.535; 473.541, subdivision 2; 473.542; 473.543, subdivisions 1, 2, 3, and 4; 473.545; 473.547; 473.549; 473.553, subdivisions 1, 2, 4, 5, and by adding subdivisions; 473.561; 473.595, subdivision 3; 473.605, subdivision 2; 473.823, subdivision 3; and 473.852, subdivisions 8 and 10; Minnesota Statutes 1993 Supplement, sections 10A.01, subdivision 18; 15A.081, subdivision 1; 115.54; 174.32, subdivision 2; 216C.15, subdivision 1; 221.025; 221.031, subdivision 3a; 275.065, subdivisions 3 and 5a; 352.01, subdivisions 2a and 2b; 352D.02, subdivision 1; 353.64, subdivision 7a; 400.08, subdivision 3; 473.13, subdivision 1; 473.1623, subdivision 3; 473.167, subdivision 1; 473.386, subdivision 2a; 473.3994, subdivision 10; 473.3997; 473.4051; 473.407, subdivisions 1, 2, 3, 4, 5, and 6; 473.411, subdivision 5; 473.446, subdivision 8; and 473.516, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, sections 115A.03, subdivision 20; 115A.33; 174.22, subdivision 4; 473.121, subdivisions 14a, 15, and 21; 473.122; 473.123, subdivisions 3, 5, and 6; 473.141, as amended; 473.146, subdivisions 2, 2a, 2b, and 2c; 473.153; 473.161; 473.163; 473.181, subdivision 3; 473.325, subdivision 5; 473.373, as amended; 473.375, subdivisions 1, 2, 3, 4, 5, 6, 7, 10,



16, 17, and 18; 473.377; 473.38; 473.384, subdivision 9; 473.388, subdivision 6; 473.404, as amended; 473.405, subdivisions 2, 6, 7, 8, 11, 13, and 14; 473.417; 473.435; 473.436, subdivision 7; 473.445, subdivisions 1 and 3; 473.501, subdivision 2; 473.503; 473.504, subdivisions 1, 2, 3, 7, and 8; 473.511, subdivision 5; 473.517, subdivision 8; 473.543, subdivision 5; and 473.553, subdivision 4a; Minnesota Statutes 1993 Supplement, section 473.3996, subdivisions 1 and 2.

Reported the same back with the following amendments to the unofficial engrossment:

Page 25, line 2, delete "may" and insert "must"

Page 25, line 4, delete "may" and insert "shall select a person or organization that is not a member or employee of the council and who is nonpartisan to"

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 2057, 2183, 2636, 2920 and 3079 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1774, 1825, 2267, 2277, 2672 and 2015 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Rukavina and Anderson, I., introduced:

H. F. No. 3200, A bill for an act relating to taxation; sales and use; changing the effective date for certain sales and use tax changes relating to taconite production equipment; amending Laws 1993, chapter 375, article 9, section 51.

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

Osthoff introduced:

H. F. No. 3201, A bill for an act relating to highways; allowing use of existing paved road surface to be used for additional lane of travel on I-394; amending Minnesota Statutes 1992, section 161.123.

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

Rest introduced:

H. F. No. 3202, A bill for an act relating to education; modifying the formula for school district abatement revenue; creating a reserved account; amending Minnesota Statutes 1992, sections 121.912, by adding a subdivision; 124.214, by adding a subdivision; and 124.912, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 275.48.

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

Abrams introduced:

H. F. No. 3203, A bill for an act relating to taxation; repealing the provision that excludes from taxation the value of certain improvements to homestead property; repealing Minnesota Statutes 1993 Supplement, section 273.11, subdivision 16.

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

Greenfield introduced:

H. F. No. 3204, A bill for an act relating to the city of Minneapolis; allowing the Minneapolis community development agency to establish a tax increment financing district.

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

Battaglia, for the Committee on Environment and Natural Resources Finance, introduced:

H. F. No. 3205, A bill for an act relating to public administration; appropriating money, and supplementing, reducing, and transferring earlier appropriations, with certain conditions; agriculture best management loans; feedlot and manure management advisory committee; recombinant bovine growth hormone labeling; miscellaneous game and fish provisions; clean water partnership loans; environmental impact statements, public facilities authority membership, powers, and duties; drinking water revolving fund; Winona and St. Louis counties solid waste grants and loans; restrictions on permits for metal materials processing; overhead power line relocation in St. Paul; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; 17B.15, subdivision 1; 32.103; 85.015, subdivision 1; 94.09, subdivision 5; 97A.061, subdivision 1; 97A.165; 97A.441, subdivision 6; 97A.485, subdivision 8; 97B.601, subdivision 4; 103F.725, by adding a subdivision; 103F.745; 103F.761, subdivision 2; 115A.5501, subdivision 2; 116.182, subdivisions 2, 3, 4, and 5; 116G.15; 151.01, subdivision 28; 151.15, subdivision 3; 151.25; 446A.02, subdivision 1, and by adding a subdivision; 446A.03, subdivision 3; 446A.07, subdivisions 4, 6, 8, 9, and 11; 446A.071, subdivision 1; 446A.11, subdivision 1; 446A.12, subdivision 1; and 446A.15, subdivision 6; Minnesota Statutes 1993 Supplement, sections 84.872; 97A.061, subdivision 3; 97B.071; 116P.11; and 446A.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 17; 32; and 446A; repealing Minnesota Statutes 1992, section 446A.08.

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

## 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. 2306, A bill for an act relating to the city of Minneapolis; providing that a levy for a contribution to the Minneapolis teachers retirement fund association is a special taxing district levy for property tax purposes; amending Minnesota Statutes 1993 Supplement, section 354A.12, subdivision 3b.

H. F. No. 2562, A bill for an act relating to employment; modifying experience requirements for the labor and industry boiler inspection division chief; amending Minnesota Statutes 1992, section 183.375, subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2646, A bill for an act relating to agriculture; expanding the restricted seed potato growing area; amending Minnesota Statutes 1992, section 21.1196, subdivision 1.

H. F. No. 1890, A bill for an act relating to Lake of the Woods county; allowing the county to forgive the amount owing on a contract for deed.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1886, A bill for an act relating to insurance; regulating insurers, investments, rehabilitations and liquidations, policy loans, and alternative coverage mechanisms; amending Minnesota Statutes 1992, sections 60A.052, subdivision 2; 60A.11, subdivision 13; 60A.111, subdivision 2; 60A.13, subdivision 8; 60B.60, subdivisions 2 and 3; 61A.28, subdivisions 11 and 12; 62F.02, subdivision 1; and 62F.03, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 60A.23, subdivision 4; 60D.20, subdivision 2; and 62B.12; repealing Minnesota Statutes 1992, section 60D.19, subdivision 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Reding moved that the House concur in the Senate amendments to H. F. No. 1886 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1886, A bill for an act relating to insurance; regulating insurers, investments, rehabilitations and liquidations, policy loans, and alternative coverage mechanisms; amending Minnesota Statutes 1992, sections 60A.052, subdivision 2; 60A.11, subdivision 13; 60A.111, subdivision 2; 60A.13, subdivision 8; 60B.60, subdivisions 2 and 3; 61A.28, subdivisions 11 and 12; 62F.02, subdivision 1; 62F.03, by adding a subdivision; 62I.08; 62I.13, subdivision 2; and 62I.21; Minnesota Statutes 1993 Supplement, sections 60A.23, subdivision 4; 60D.20, subdivision 2; 62B.12; and 62C.10; repealing Minnesota Statutes 1992, section 60D.19, subdivision 5.

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

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Carruthers	Farrell	Holsten	Kelley	Lindner	Mosel
Anderson, R.	Clark	Finseth	Hugoson	Kinkel	Long	Munger
Asch	Commers	Frerichs	Huntley	Klinzing	Lourey	Murphy
Battaglia	Cooper	Garcia	Jacobs	Knickerbocker	Luther	Neary
Bauerly	Dauner	Goodno	Jaros	Knight	Lynch	Nelson
Beard	Davids	Greenfield	Jefferson	Koppendrayner	Macklin	Ness
Bertram	Dawkins	Greiling	Jennings	Krinkie	Mahon	Olson, E.
Bettermann	Dehler	Gruenes	Johnson, A.	Krueger	McCollum	Olson, K.
Bishop	Delmont	Gutknecht	Johnson, R.	Lasley	McGuire	Olson, M.
Brown, C.	Dempsey	Hasskamp	Johnson, V.	Leppik	Milbert	Onnen
Brown, K.	Dorn	Haukoos	Kahn	Lieder	Molnau	Opatz
Carlson	Evans	Hausman	Kalis	Limmer	Morrison	Orenstein

Osthoff	Peterson	Rodosovich	Skoglund	Swenson	Van Engen	Wejcman
Ostrom	Pugh	Rukavina	Smith	Tomassoni	Vellenga	Wenzel
Ozment	Reding	Sarna	Solberg	Tompkins	Vickerman	Wolf
Pauly	Rest	Seagren	Stanis	Trimble	Wagenius	Worke
Pelowski	Rhodes	Sekhon	Steensma	Tunheim	Waltman	Workman
Perlt	Rice	Simoneau	Svigum	Van Dellen	Weaver	Spk. Anderson, I.

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

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1964, A bill for an act relating to insurance; solvency; regulating reinsurance, loss reserve certifications and annual audits, and annual statements; regulating certain guaranty association coverages; modifying the incorporation requirements of domestic mutuals; amending Minnesota Statutes 1992, sections 60A.092, subdivision 7; 60A.206, subdivision 6; 60C.02, subdivision 1; 62E.10, subdivision 2; and 66A.03; Minnesota Statutes 1993 Supplement, sections 60A.129, subdivisions 3, 5, and 7; 60A.13, subdivision 1; and 61B.19, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 60A; repealing Minnesota Statutes 1992, sections 60A.80; 60A.801; and 60A.802.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Reding moved that the House concur in the Senate amendments to H. F. No. 1964 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1964, A bill for an act relating to insurance; solvency; regulating reinsurance, loss reserve certifications and annual audits, and annual statements; regulating certain guaranty association coverages; modifying the incorporation requirements of domestic mutuals; amending Minnesota Statutes 1992, sections 60A.092, subdivision 7; 60A.206, subdivision 6; 60C.02, subdivision 1; 62E.10, subdivision 2; and 66A.03; Minnesota Statutes 1993 Supplement, sections 60A.129, subdivisions 3, 5, and 7; 60A.13, subdivision 1; and 61B.19, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 60A; repealing Minnesota Statutes 1992, sections 60A.80; 60A.801; and 60A.802.

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

The question was taken on the repassage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Gruenes	Kahn	Long	Nelson	Pugh
Anderson, R.	Dauner	Gutknecht	Kalis	Lourey	Ness	Reding
Asch	Davids	Hasskamp	Kelley	Luther	Olson, E.	Rest
Battaglia	Dawkins	Haukoos	Kinkel	Lynch	Olson, K.	Rhodes
Bauerly	Dehler	Hausman	Klinzing	Macklin	Olson, M.	Rice
Beard	Delmont	Holsten	Knickerbocker	Mahon	Onnen	Rodosovich
Bergson	Dempsey	Hugoson	Knight	McCollum	Opatz	Rukavina
Bertram	Dorn	Huntley	Koppendrayner	McGuire	Orenstein	Sarna
Bettermann	Evans	Jacobs	Krinkie	Milbert	Osthoff	Seagren
Bishop	Farrell	Jaros	Krueger	Molnau	Ostrom	Sekhon
Brown, K.	Finseth	Jefferson	Lasley	Morrison	Ozment	Simoneau
Carlson	Garcia	Jennings	Leppik	Mosel	Pauly	Smith
Carruthers	Goodno	Johnson, A.	Lieder	Munger	Pelowski	Solberg
Clark	Greenfield	Johnson, R.	Limmer	Murphy	Perlt	Stanis
Commers	Greiling	Johnson, V.	Lindner	Neary	Peterson	Steensma

Sviggum	Tompkins	Van Dellen	Vickerman	Weaver	Wolf	Spk. Anderson, I.
Swenson	Trimble	Van Engen	Wagenius	Wejcman	Worke	
Tomassoni	Tunheim	Vellenga	Waltman	Wenzel	Workman	

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

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2487, A bill for an act relating to local government; authorizing towns in Olmsted county to adopt and enforce the state building code.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Dauids moved that the House concur in the Senate amendments to H. F. No. 2487 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2487, A bill for an act relating to local government; authorizing towns in Olmsted county to adopt and enforce the state building code.

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

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

S. F. Nos. 2455, 2241, 2303 and 2066.

PATRICK E. FLAHAVEN, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 2455, A bill for an act relating to health and human services; requiring payment rates paid to community health clinics by a prepaid health plan to equal the medical assistance rates that would be paid directly to the clinics by the commissioner of human services; amending Minnesota Statutes 1992, section 256B.031, subdivision 10; Minnesota Statutes 1993 Supplement, section 256.9363, subdivision 9.

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

S. F. No. 2241, A bill for an act relating to cities of the first class; clarifying the definition of targeted neighborhood in a community resources program; clarifying the procedures that may be used by the city of Minneapolis in assessing special assessments; amending Minnesota Statutes 1992, section 466A.02, subdivision 3.

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

S. F. No. 2303, A bill for an act relating to highway safety; requiring persons age 55 or over to complete a refresher course in accident prevention in order to remain eligible for a reduction in private passenger vehicle insurance rates; amending Minnesota Statutes 1992, section 65B.28.

The bill was read for the first time.

Ostrom moved that S. F. No. 2303 and H. F. No. 2115, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2066, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public water or natural wetlands in Anoka county; authorizing the sale of certain state land in Anoka county.

The bill was read for the first time.

Sekhon moved that S. F. No. 2066 and H. F. No. 2067, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

## CONSENT CALENDAR

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Brown, K.	Delmont	Greenfield	Jacobs	Kinkel	Limmer
Anderson, R.	Carlson	Dempsey	Greiling	Jaros	Klinzing	Lindner
Asch	Carruthers	Dorn	Gruenes	Jefferson	Knickerbocker	Long
Battaglia	Clark	Erhardt	Gutknecht	Jennings	Knight	Lourey
Bauerly	Commers	Evans	Hasskamp	Johnson, A.	Koppendrayer	Luther
Beard	Cooper	Farrell	Haukoos	Johnson, R.	Krinkie	Lynch
Bergson	Dauner	Finseth	Hausman	Johnson, V.	Krueger	Macklin
Bertram	Davids	Frerichs	Holsten	Kahn	Lasley	Mahon
Bettermann	Dawkins	Garcia	Hugoson	Kalis	Leppik	McCollum
Bishop	Dehler	Goodno	Huntley	Kelley	Lieder	McGuire

Milbert	Olson, E.	Ozment	Rice	Solberg	Van Dellen	Winter
Molnau	Olson, K.	Pauly	Rodosovich	Stanius	Van Engen	Wolf
Morrison	Olson, M.	Pelowski	Rukavina	Steensma	Vellenga	Worke
Mosel	Onnen	Perlt	Sarna	Sviggum	Vickerman	Workman
Munger	Opatz	Peterson	Seagren	Swenson	Wagenius	Spk. Anderson, I.
Murphy	Orenstein	Pugh	Sekhon	Tomassoni	Waltman	
Neary	Orfield	Reding	Simoneau	Tompkins	Weaver	
Nelson	Osthoff	Rest	Skoglund	Trimble	Wejzman	
Ness	Ostrom	Rhodes	Smith	Tunheim	Wenzel	

The bill was passed and its title agreed to.

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

The bill was passed and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bauerly	Bettermann	Carlson	Cooper	Dehler	Erhardt
Anderson, R.	Beard	Bishop	Carruthers	Dauner	Delmont	Evans
Asch	Bergson	Brown, C.	Clark	Dauids	Dempsey	Farrell
Battaglia	Bertram	Brown, K.	Commers	Dawkins	Dorn	Finseth

Frerichs	Jefferson	Lasley	Morrison	Ozment	Simoneau	Wagenius
Garcia	Jennings	Leppik	Mosel	Pauly	Skoglund	Waltman
Girard	Johnson, A.	Lieder	Munger	Pawlenty	Smith	Weaver
Goodno	Johnson, R.	Limmer	Murphy	Pelowski	Solberg	Wejcman
Greenfield	Johnson, V.	Lindner	Neary	Perlt	Stanius	Wenzel
Greiling	Kahn	Long	Nelson	Peterson	Steensma	Winter
Gruenes	Kalis	Lourey	Ness	Pugh	Sviggum	Worke
Gutknecht	Kelley	Luther	Olson, E.	Reding	Swenson	Workman
Hasskamp	Kelso	Lynch	Olson, K.	Rest	Tomassoni	Spk. Anderson, I.
Haukoos	Kinkel	Macklin	Olson, M.	Rhodes	Tompkins	
Hausman	Klinzing	Mahon	Onnen	Rice	Trimble	
Holsten	Knickerbocker	Mariani	Opatz	Rodosovich	Tunheim	
Hugoson	Knight	McCollum	Orenstein	Rukavina	Van Dellen	
Huntley	Koppendrayner	McGuire	Orfield	Sarna	Van Engen	
Jacobs	Krinkie	Milbert	Osthoft	Seagren	Vellenga	
Jaros	Krueger	Molnau	Ostrom	Sekhon	Vickerman	

The bill was passed and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Battaglia	Bertram	Brown, C.	Carruthers	Cooper	Dawkins
Anderson, R.	Beard	Bettermann	Brown, K.	Clark	Dauner	Dehler
Asch	Bergson	Bishop	Carlson	Commers	Dauids	Delmont



Dempsey	Hausman	Klinzing	Mahon	Orenstein	Rukavina	Van Dellen
Dorn	Holsten	Knickerbocker	McCollum	Orfield	Sarna	Van Engen
Erhardt	Hugoson	Knight	McGuire	Osthoff	Seagren	Vellenga
Evans	Huntley	Koppendraye	Milbert	Ostrom	Sekhon	Vickerman
Farrell	Jacobs	Krinkie	Molnau	Ozment	Simoneau	Wagenius
Finseth	Jaros	Krueger	Morrison	Pauly	Skoglund	Waltman
Frerichs	Jefferson	Lasley	Mosel	Pawlenty	Smith	Weaver
Garcia	Jennings	Leppik	Munger	Pelowski	Solberg	Wejcmán
Girard	Johnson, A.	Lieder	Neary	Perlt	Stanius	Wenzel
Goodno	Johnson, R.	Limmer	Nelson	Peterson	Steensma	Winter
Greenfield	Johnson, V.	Lindner	Ness	Pugh	Sviggum	Wolf
Greiling	Kahn	Long	Olson, E.	Reding	Swenson	Worke
Gruenes	Kalis	Lourey	Olson, K.	Rest	Tomassoni	Workman
Gutknecht	Kelley	Luther	Olson, M.	Rhodes	Tompkins	Spk. Anderson, I.
Hasskamp	Kelso	Lynch	Onnen	Rice	Trimble	
Haukoos	Kinkel	Macklin	Opatz	Rodosovich	Tunheim	

The bill was passed and its title agreed to.

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 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 95 yeas and 37 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Delmont	Jacobs	Lieder	Nelson	Pugh	Tompkins
Battaglia	Dempsey	Jaros	Lindner	Olson, E.	Reding	Trimble
Bauerly	Dorn	Jefferson	Long	Olson, K.	Rice	Tunheim
Beard	Evans	Jennings	Lourey	Onnen	Rodosovich	Van Dellen
Bertram	Farrell	Johnson, A.	Lynch	Opatz	Rukavina	Vellenga
Bishop	Finseth	Johnson, R.	Macklin	Orenstein	Sarna	Wagenius
Brown, C.	Garcia	Johnson, V.	Mahon	Orfield	Simoneau	Wejcmán
Brown, K.	Girard	Kahn	McGuire	Osthoff	Skoglund	Wenzel
Clark	Goodno	Kalis	Milbert	Ostrom	Smith	Winter
Cooper	Gruenes	Kelso	Molnau	Ozment	Solberg	Wolf
Dauner	Gutknecht	Kinkel	Mosel	Pauly	Steensma	Spk. Anderson, I.
Dauids	Hasskamp	Klinzing	Munger	Pelowski	Sviggum	
Dawkins	Hausman	Krueger	Murphy	Perlt	Swenson	
Dehler	Hugoson	Lasley	Neary	Peterson	Tomassoni	

Those who voted in the negative were:

Abrams	Commers	Holsten	Krinkie	Ness	Stanius	Workman
Asch	Erhardt	Huntley	Leppik	Olson, M.	Van Engen	
Bergson	Frerichs	Kelley	Limmer	Pawlenty	Vickerman	
Bettermann	Greenfield	Knickerbocker	Luther	Rhodes	Waltman	
Carlson	Greiling	Knight	McCollum	Seagren	Weaver	
Carruthers	Haukoos	Koppendraye	Morrison	Sekhon	Worke	

The bill was passed and its title agreed to.

S. F. No. 2262 was reported to the House.

Upon objection of ten members, S. F. No. 2262 was stricken from the Consent Calendar and placed on General Orders.

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.

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

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Commers	Girard	Jennings	Lasley	Molnau	Osthoff
Anderson, R.	Cooper	Goodno	Johnson, A.	Leppik	Morrison	Ostrom
Asch	Dauner	Greenfield	Johnson, R.	Lieder	Mosel	Ozment
Battaglia	Davids	Greiling	Johnson, V.	Limmer	Munger	Pauly
Bauerly	Dawkins	Gruenes	Kahn	Lindner	Murphy	Pawlenty
Beard	Dehler	Gutknecht	Kalis	Long	Neary	Pelowski
Bergson	Delmont	Hasskamp	Kelley	Lourey	Nelson	Perlt
Bertram	Dempsey	Haukoos	Kelso	Luther	Ness	Peterson
Bettermann	Dorn	Hausman	Kinkel	Lynch	Olson, E.	Pugh
Bishop	Erhardt	Holsten	Klinzing	Macklin	Olson, K.	Reding
Brown, C.	Evans	Hugoson	Knickerbocker	Mahon	Olson, M.	Rest
Brown, K.	Farrell	Huntley	Knight	Mariani	Ornen	Rhodes
Carlson	Finseth	Jacobs	Koppendraye	McCollum	Opatz	Rice
Carruthers	Frerichs	Jaros	Krinkie	McGuire	Orenstein	Rodosovich
Clark	Garcia	Jefferson	Krueger	Milbert	Orfield	Rukavina

Sarna	Smith	Swenson	Van Dellen	Waltman	Wolf
Seagren	Solberg	Tomassoni	Van Engen	Weaver	Worke
Sekhon	Stanius	Tompkins	Vellenga	Wejzman	Workman
Simoneau	Steensma	Trimble	Vickerman	Wenzel	Spk. Anderson, I.
Skoglund	Sviggun	Tunheim	Wagenius	Winter	

The bill was passed and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

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.

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 4 nays as follows:

Those who voted in the affirmative were:

Abrams	Bishop	Davids	Finseth	Holsten	Johnson, V.	Krinkie
Anderson, R.	Brown, C.	Dawkins	Garcia	Hugoson	Kahn	Krueger
Asch	Brown, K.	Dehler	Girard	Huntley	Kalis	Lasley
Battaglia	Carlson	Delmont	Greenfield	Jacobs	Kelley	Leppik
Bauerly	Carruthers	Dempsey	Greiling	Jaros	Kelso	Lieder
Beard	Clark	Dorn	Gutknecht	Jefferson	Kinkel	Limmer
Bergson	Commers	Erhardt	Hasskamp	Jennings	Klinzing	Lindner
Bertram	Cooper	Evans	Haukoos	Johnson, A.	Knickerbocker	Long
Bettermann	Dauner	Farrell	Hausman	Johnson, R.	Koppendraye	Lourey

Luther	Mosel	Opatz	Peterson	Sekhon	Tompkins	Wejcman
Lynch	Munger	Orenstein	Pugh	Simoneau	Trimble	Wenzel
Macklin	Murphy	Orfield	Reding	Skoglund	Tunheim	Winter
Mahon	Neary	Osthoff	Rest	Smith	Van Dellen	Wolf
Mariani	Nelson	Ostrom	Rhodes	Solberg	Van Engen	Worke
McCollum	Ness	Ozment	Rice	Stanis	Vellenga	Workman
McGuire	Olson, E.	Pauly	Rodosovich	Steensma	Vickerman	Spk. Anderson, I.
Milbert	Olson, K.	Pawlenty	Rukavina	Sviggum	Wagenius	
Molnau	Olson, M.	Pelowski	Sarna	Swenson	Waltman	
Morrison	Onnen	Perlt	Seagren	Tomassoni	Weaver	

Those who voted in the negative were:

Frerichs	Goodno	Gruenes	Knight
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The bill was passed and its title agreed to.

S. F. No. 1898 was reported to the House.

Asch moved to amend S. F. No. 1898, the unofficial engrossment, as follows:

Page 1, after line 17, insert:

"Sec. 2. Minnesota Statutes 1992, section 62A.48, subdivision 1, is amended to read:

Subdivision 1. [POLICY REQUIREMENTS.] No individual or group policy, certificate, subscriber contract, or other evidence of coverage of nursing home care or other long-term care services shall be offered, issued, delivered, or renewed in this state, whether or not the policy is issued in this state, unless the policy is offered, issued, delivered, or renewed by a qualified insurer and the policy satisfies the requirements of sections 62A.46 to 62A.56. A long-term care policy must cover prescribed long-term care in nursing facilities and at least the prescribed long-term home care services in section 62A.46, subdivision 4, clauses (1) to (5), provided by a home health agency. Coverage under a long-term care policy AA must include: a maximum lifetime benefit limit of at least \$100,000 for services, and nursing facility and home care coverages must not be subject to separate lifetime maximums. Coverage under a long-term care policy A must include: a maximum lifetime benefit limit of at least \$50,000 for services, and nursing facility and home care coverages must not be subject to separate lifetime maximums. Prior hospitalization may not be required under a long-term care policy.

Coverage under either policy designation must cover preexisting conditions during the first six months of coverage if the insured was not diagnosed or treated for the particular condition during the 90 days immediately preceding the effective date of coverage. Coverage under either policy designation may include a waiting period of up to 90 days before benefits are paid, but there must be no more than one waiting period per benefit period; for purposes of this sentence, "days" means calendar days. No policy may exclude coverage for mental or nervous disorders which have a demonstrable organic cause, such as Alzheimer's and related dementias. No policy may require the insured to be homebound or house confined to receive home care services. The policy must include a provision that the plan will not be canceled or renewal refused except on the grounds of nonpayment of the premium, provided that the insurer may change the premium rate on a class basis on any policy anniversary date. A provision that the policyholder may elect to have the premium paid in full at age 65 by payment of a higher premium up to age 65 may be offered. A provision that the premium would be waived during any period in which benefits are being paid to the insured during confinement in a nursing facility must be included. A nongroup policyholder may return a policy within 30 days of its delivery and have the premium refunded in full, less any benefits paid under the policy, if the policyholder is not satisfied for any reason.

No individual long-term care policy shall be offered or delivered in this state until the insurer has received from the insured a written designation of at least one person, in addition to the insured, who is to receive notice of cancellation of the policy for nonpayment of premium. The insured has the right to designate up to a total of three persons who are to receive the notice of cancellation, in addition to the insured. The form used for the written designation must inform the insured that designation of one person is required and that designation of up to two

additional persons is optional and must provide space clearly designated for listing between one and three persons. The designation shall include each person's full name, home address, and telephone number. Each time an individual policy is renewed or continued, the insurer shall notify the insured of the right to change this written designation.

The insurer may file a policy form that utilizes a plan of care prepared as provided under section 62A.46, subdivision 5, clause (1) or (2)."

Page 1, line 21, after the period, insert "Section 2 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "regulating the waiting period in long-term care policies; amending Minnesota Statutes 1992, section 62A.48, subdivision 1;"

The motion prevailed and the amendment was adopted.

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.

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

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

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.

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

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

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.

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

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

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.

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

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

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.

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

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

## SPECIAL ORDERS

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Commers	Girard	Jennings	Lasley	Molnau	Osthoft
Anderson, R.	Cooper	Goodno	Johnson, A.	Leppik	Morrison	Ostrom
Asch	Dauner	Greenfield	Johnson, R.	Lieder	Mosel	Ozment
Battaglia	Davids	Greiling	Johnson, V.	Limmer	Munger	Pauly
Bauerly	Dawkins	Gruenes	Kahn	Lindner	Murphy	Pawlenty
Beard	Dehler	Gutknecht	Kalis	Long	Neary	Pelowski
Bergson	Delmont	Hasskamp	Kelley	Lourey	Nelson	Perlt
Bertram	Dempsey	Haukoos	Kelso	Luther	Ness	Peterson
Bettermann	Dorn	Hausman	Kinkel	Lynch	Olson, E.	Pugh
Bishop	Erhardt	Holsten	Klinzing	Macklin	Olson, K.	Reding
Brown, C.	Evans	Hugoson	Knickerbocker	Mahon	Olson, M.	Rest
Brown, K.	Farrell	Huntley	Knight	Mariani	Onnen	Rhodes
Carlson	Finseth	Jacobs	Koppendrayner	McCollum	Opatz	Rice
Carruthers	Frerichs	Jaros	Krinkie	McGuire	Orenstein	Rodosovich
Clark	Garcia	Jefferson	Krueger	Milbert	Orfield	Rukavina



Sarna	Smith	Swenson	Van Dellen	Waltman	Wolf
Seagren	Solberg	Tomassoni	Van Engen	Weaver	Worke
Sekhon	Stanis	Tompkins	Vellenga	Wejzman	Workman
Simoneau	Steensma	Trimble	Vickerman	Wenzel	Spk. Anderson, I.
Skoglund	Svigum	Tunheim	Wagenius	Winter	

The bill was passed and its title agreed to.

S. F. No. 2246 was reported to the House.

Waltman moved to amend S. F. No. 2246 as follows:

Page 2, after line 15, insert:

"Sec. 2. [PRIVATE SALE OF TAX-FORFEITED LAND; GOODHUE COUNTY.]

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Goodhue county may convey by private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The land described in paragraph (c) may be sold by private sale to Veterans of Foreign Wars Post No. 5727 of Zumbrota, Minnesota. The conveyance must be in a form approved by the attorney general.

(c) The land that may be conveyed is located in Goodhue county, and is described as:

(1) City of Zumbrota, Original plat, tax parcel No. 72-100-1410; and

(2) City of Zumbrota, Original plat, tax parcel No. 72-100-1440.

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 3. [WATER SUPPLY TO WABASHA COUNTY FAIRGROUNDS.]

Notwithstanding any other law to the contrary, the Wabasha county fairgrounds may use water supply pipe of 100 pounds per square inch for a portion of the installation at the fairgrounds and is not required to comply with Minnesota Rules, part 4715.1710. If the use of the fairgrounds exceeds 20 days per year, the entire water supply pipe system must be brought into compliance with present law."

Page 2, line 16, delete "2" and insert "4"

Page 2, line 17; delete "This act is" and insert "Sections 1 and 3 are"

Amend the title as follows:

Page 1, line 2, delete "natural resources" and insert "state lands"

Page 1, line 4, before the period, insert "; authorizing private sale of certain tax-forfeited land that borders public water in Goodhue county; allowing Wabasha county fairgrounds to use certain water service system"

The motion prevailed and the amendment was adopted.

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 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 128 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Bergson	Greenfield	Munger	Skoglund
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The bill was passed, as amended, and its title agreed to.

H. F. No. 2666 was reported to the House.

Brown, C., moved that H. F. No. 2666 be continued on Special Orders. The motion prevailed.

#### REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Carruthers, from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately following printed Special Orders for today:

H. F. Nos. 2278, 2013, 2493, 2626, 1921, 2405 and 2617; S. F. No. 819; and H. F. No. 1834.

#### SPECIAL ORDERS, Continued

H. F. No. 2278 was reported to the House.

Swiggum and Gutknecht moved to amend H. F. No. 2278, the first engrossment, as follows:

Page 3, line 36, delete "September 1, 1994" and insert "January 1, 1995"

The motion prevailed and the amendment was adopted.

## POINT OF ORDER

Carruthers raised a point of order pursuant to section 124 of "Mason's Manual of Legislative Procedure" relating to personalities not permitted in debate. The Speaker ruled the point of order well taken.

## POINT OF ORDER

Svigum raised a point of order pursuant to Article III of the Minnesota Constitution relating to the distribution of the powers of government. The Speaker ruled the point of order not in order.

H. F. No. 2278, A bill for an act relating to state government; requiring the governor to develop a plan to create a secretarial system of executive branch organization.

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 82 yeas and 50 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Clark	Huntley	Lasley	Murphy	Peterson	Steensma
Asch	Cooper	Jacobs	Lieder	Neary	Pugh	Svigum
Battaglia	Dauner	Jaros	Long	Nelson	Reding	Tomassoni
Bauerly	Dawkins	Jefferson	Lourey	Olson, E.	Rest	Trimble
Beard	Delmont	Jennings	Luther	Olson, K.	Rice	Tunheim
Bergson	Dorn	Johnson, A.	Mahon	Opatz	Rodosovich	Vellenga
Bertram	Evans	Johnson, R.	Mariani	Orenstein	Rukavina	Wejcmán
Bishop	Farrell	Kahn	McCollum	Orfield	Sarna	Wenzel
Brown, C.	Garcia	Kalis	McGuire	Osthoff	Sekhon	Winter
Brown, K.	Goodno	Kelley	Milbert	Ostrom	Simoneau	Spk. Anderson, I.
Carlson	Gutknecht	Kinkel	Mosel	Pelowski	Smith	
Carruthers	Hasskamp	Klinzing	Munger	Perlt	Solberg	

Those who voted in the negative were:

Abrams	Frerichs	Kelso	Lindner	Ozment	Tompkins	Worke
Bettermann	Girard	Knickerbocker	Lynch	Pauly	Van Dellen	Workman
Commers	Greenfield	Knight	Macklin	Pawlenty	Van Engen	
Davids	Gruenes	Koppentrayer	Molnau	Rhodes	Vickerman	
Dehler	Haukoos	Krinkie	Morrison	Seagren	Wagenius	
Dempsey	Holsten	Krueger	Ness	Skoglund	Waltman	
Erhardt	Hugoson	Leppik	Olson, M.	Stanis	Weaver	
Finseth	Johnson, V.	Limmer	Onnen	Swenson	Wolf	

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

Carruthers moved that the remaining 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

Greiling moved that the name of Asch be added as an author on H. F. No. 664. The motion prevailed.

Dawkins moved that the name of Wejcmán be added as an author on H. F. No. 2644. The motion prevailed.

Wejcman moved that the names of Swenson, Limmer, Weaver and Lasley be added as authors on H. F. No. 2985. The motion prevailed.

Osthoff moved that the names of Lieder, Kalis, McCollum and Johnson, V., be added as authors on H. F. No. 3109. The motion prevailed.

Davids moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the negative on Tuesday, April 5, 1994, when the vote was taken on the final passage of H. F. No. 2135." The motion prevailed.

Johnson, A., moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Tuesday, April 5, 1994, when the vote was taken on the final passage of H. F. No. 2371." The motion prevailed.

Luther moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Tuesday, April 5, 1994, when the vote was taken on the final passage of H. F. No. 2371." The motion prevailed.

Ozment moved that H. F. No. 2183, now on Technical General Orders, be re-referred to the Committee on Ways and Means. The motion prevailed.

Asch moved that H. F. No. 2775, now on General Orders, be re-referred to the Committee on Environment and Natural Resources Finance. The motion prevailed.

Workman moved that H. F. No. 2862 be returned to its author. The motion prevailed.

Workman moved that H. F. No. 2864 be returned to its author. The motion prevailed.

Workman moved that H. F. No. 2938 be returned to its author. The motion prevailed.

#### ADJOURNMENT

Carruthers moved that when the House adjourns today it adjourn until 1:30 p.m., Thursday, April 7, 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., Thursday, April 7, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives